

Date: May 7, 2013
To: ERCOT Board of Directors
From: Kenan Ogelman, Technical Advisory Committee (TAC) Chair
Subject: Non-Unanimous NPRRs and PGRR Recommended by TAC for Approval

Issue for the ERCOT Board of Directors

ERCOT Board of Directors (ERCOT Board) Meeting Date: May 14, 2013

Agenda Item No.: 8.1

Issue:

Consideration of the following Revision Requests recommended for approval by TAC (which had opposing votes recorded):

- NPRR500, Posting of Generation that is Off but Available
- NPRR534, Clarification of QSE Responsibilities to Provide Service in NOIE Territory – URGENT
- PGRR025, Addition of Criteria for Autotransformer Unavailability

Background/History:

Unless otherwise noted: (i) all Market Segments were present for each vote and (ii) ERCOT Credit Staff and the Credit Work Group (Credit WG) have reviewed the revision request and do not believe it requires changes to credit monitoring activity or the calculation of liability.

- ***NPRR500, Posting of Generation that is Off but Available [Morgan Stanley].***

Revision Description: This Nodal Protocol Revision Request (NPRR) adds to the Short-Term System Adequacy Report a field showing the aggregate Generation Resource capacity that is schedule in the Current Operating Plan (COP) as “Off” and can be started in time to be available each Operating Hour.

Proposed Effective Date: Upon System Implementation – Priority 2014; Rank 950

ERCOT Impact Analysis: \$60k - \$75k; no impacts to ERCOT staffing; impacts to Market Management System (MMS) and Current Day Reports (CDR); no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.

ERCOT Opinion: ERCOT supports approval of NPRR500 recognizing the benefits of added transparency and clarity for the health of the market.

TAC Decision: On 3/7/13, TAC voted to recommend approval of NPRR500 as recommended by PRS in the 2/21/13 PRS Report. There were four opposing votes from the Independent Generator Market Segment and one abstention from the Independent Power Marketer (IPM) Market Segment.

- ***NPRR534, Clarification of QSE Responsibilities to Provide Service in NOIE Territory – URGENT [STEC, CPS Energy, KPUB, Rayburn, Golden Spread, & Denton].***

Revision Description: This NPRR provides clarity that third party Qualified Scheduling Entities (QSEs) offering services within a Non-Opt-In Entity (NOIE) service territory require NOIE authorization.

Proposed Effective Date: June 1, 2013

ERCOT Impact Analysis: No budgetary impact; no impacts to ERCOT staffing; minor impacts to ERCOT internal applications which can be absorbed; ERCOT business functions will be updated; no impacts to ERCOT grid operations and practices.

ERCOT Opinion: ERCOT has no opinion on NPRR534 as it is a legal interpretation of the Public Utility Regulatory Act.

TAC Decision: On 5/2/13, TAC voted to recommend approval of NPRR534 as recommended by PRS in the 4/18/13 PRS Report. There were seven opposing votes from the Independent Retail Electric Provider (IREP) (4), Consumer (2), and IPM Market Segments and two abstentions from the Independent Generator Market Segment.

- ***PGRR025, Addition of Criteria for Autotransformer Unavailability [PLWG].***

Revision Description: This Planning Guide Revision Request (PGRR) adds testing and performance requirements to the ERCOT reliability criteria for the unavailability of any 345/138 kV autotransformer.

Proposed Effective Date: June 1, 2013

ERCOT Impact Analysis: \$60k - \$75k short-term budget impact for ERCOT Staff augmentation; 0.2 FTE impact to Transmission Planning (can be absorbed by existing ERCOT Staff); no impacts to ERCOT computer systems; no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.

ERCOT Opinion: ERCOT supports approval of PGRR025 as improvements to the planning criteria contribute to a more reliable system and lower congestion costs.

TAC Decision: On 3/7/13, TAC voted to recommend approval of PGRR025 as recommended by ROS in the 2/14/13 ROS Report. There were three opposing votes from the Independent Generator Market Segment and one abstention from the Independent Generator Market Segment.

The TAC Reports and Impact Analyses for NPRRs 500 and 534; and PGRR025 are included in the ERCOT Board meeting materials which can found at the following link:

<http://www.ercot.com/calendar/2013/05/20130514-BOD>

In addition, NPRRs 500 and 534; and PGRR025 and supporting materials are posted on the ERCOT website at the following link:

<http://www.ercot.com/mktrules/nprotocols/npr>

<http://www.ercot.com/mktrules/guides/planning/pgrr>

Key Factors Influencing Issue:

The PRS met, discussed the issues, and submitted reports to TAC regarding NPRRs 500 and 534 as described herein.

The ROS met, discussed the issues, and submitted a report to TAC regarding PGRR025.

TAC considered the issues and voted to take action on NPRRs 500 and 534; and PGRR025 as described above.

Conclusion/Recommendation:

As more specifically described above, TAC recommends that the ERCOT Board approve NPRRs 500 and 534; and PGRR025 as described herein.

ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.
BOARD OF DIRECTORS RESOLUTION

WHEREAS, the Electric Reliability Council of Texas, Inc. (ERCOT) Board of Directors (Board) deems it desirable and in ERCOT's best interest to approve the following revision request:

- NPRR500, Posting of Generation that is Off but Available
- NPRR534, Clarification of QSE Responsibilities to Provide Service in NOIE Territory – URGENT
- PGRR025, Addition of Criteria for Autotransformer Unavailability

THEREFORE be it RESOLVED, that the ERCOT Board hereby approves NPRRs 500 and 534; and PGRR025.

CORPORATE SECRETARY'S CERTIFICATE

I, Vickie G. Leady, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its February meeting, the ERCOT Board passed a motion approving the above Resolution by _____.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of May, 2013.

Vickie G. Leady
Assistant Corporate Secretary