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# **Item 8: TAC Report**

**Kenan Ögelman**  
**2013 TAC Chair**

**Board of Directors Meeting**  
**ERCOT Public**  
**May 14, 2013**



# Summary of TAC Update

## **Revision Requests Recommended for Approval by TAC – Unopposed (Vote):**

- NPRR495, Changes to Ancillary Services Capacity Monitor
- NPRR510, Discretion in Operating Days in OUT Calculation, Clarification of Source of ACP and Clarification of the Definition of Financial Statements
- NPRR511, Correction to Emergency Energy Settlement Language - URGENT
- NPRR514, Seasonal Generation Resource - URGENT
- NPRR530, Transfers of Specific NOIEs Within a NOIE Load Zone to a Competitive Load Zone - URGENT
- SCR772, New Extract for Five Minute Interval Settlement Data

## **Revision Requests Recommended for Approval by TAC – With Opposing Votes (Vote):**

- 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

## **Methodology for Setting the Shadow Price Caps and Power Balance Penalties in Security-Constrained Economic Dispatch (Vote)**

## **May TAC Highlights**

## **Guide Revisions Approved by TAC**



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# Revision Requests Recommended for Approval by TAC (Unopposed)



# **NPRR514, Seasonal Generation Resource - URGENT**

<b>Purpose</b> (Luminant)	This NPRR creates a new variation of ERCOT's existing mothball process to allow Resource Entities to operate their Facilities during summer peak Load periods without having to go through the existing mothballing process each year. This NPRR modifies the Protocols to allow a Resource Entity to designate that its Generation Resource will operate only on a seasonal basis (i.e., at least during the period June 1 to September 30). Additional language changes are provided to describe the process for ERCOT to review the request to operate seasonally and to allow ERCOT to request the Generation Resource to become available earlier than June 1 or remain available after September 30 if ERCOT determines that the Generation Resource is needed for reliability reasons.
<b>TAC Vote</b>	On 5/2/13, TAC voted to recommend approval of NPRR514 as amended by the 4/30/13 Luminant comments and as revised by TAC with a recommended priority 2013 and rank 395; and requests the Board remand NPRR514 to TAC if the Impact Analysis is greater than \$100k. There were four abstentions from the Generator (2), IOU and IREP Market Segments.



## Continued: NPRR514, Seasonal Generation Resource - URGENT

<b>ERCOT Opinion</b>	ERCOT supports approval of NPRR514 as it defines a process to evaluate Generation Resources that plan to operate on a seasonal basis.
<b>Effective Date/Priority</b>	Upon system implementation – Priority 2013; Rank 395
<b>ERCOT Impact</b>	\$20k - \$40k; 0.5 FTE impact in Operations Analysis will be absorbed by the FTE identified for NPRR421, Clarification of RMR Notifications; impacts to Registration Systems, Outage Scheduler (OS), Enterprise Integration (EI), and Market Management System (MMS); ERCOT business processes will be updated.
<b>Business Case Highlights</b>	<ul style="list-style-type: none"><li>• Reduces time and resources necessary to allow a Generation Resource to operate seasonally in the ERCOT market.</li><li>• Eliminates the complex process to “mothball” and “un-mothball” a Generation Resource in the ERCOT systems for a Resource that wants to operate seasonally.</li><li>• Provides market transparency of all Generation Resources that plan to operate on a seasonal basis.</li></ul>



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# Revision Requests Recommended for Approval by TAC (with Opposing Votes)



# NPRR500, Posting of Generation that is Off but Available

<b>Purpose</b> (Morgan Stanley)	This 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 as “Off” and can be started in time to be available each Operating Hour.
<b>TAC Vote</b>	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 IPM Market Segment.
<b>ERCOT Opinion</b>	ERCOT supports approval of NPRR500 recognizing the benefits of added transparency and clarity for the health of the market.
<b>Effective Date/Priority</b>	Upon system implementation – Priority 2014; Rank 950
<b>ERCOT Impact</b>	Project: \$60k-\$75k; impacts to MMS and Current Day Reports.
<b>Business Case Highlights</b>	<ul style="list-style-type: none"> <li>• Improves transparency of Resource capacity available to the market but not “On”.</li> <li>• Corrects a chronic problem in the way external markets handle information currently available in the Short-Term System Adequacy Report.</li> </ul>



# NPRR534, Clarification of QSE Responsibilities to Provide Service in NOIE Territory - URGENT

<b>Purpose</b> (Group of NOIEs)	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.
<b>TAC Vote</b>	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 IREP (4), Consumer (2), and IPM Segments & two abstentions from the Generator Segment.
<b>ERCOT Opinion</b>	ERCOT has no opinion on NPRR534 as it is a legal interpretation of the Public Utility Regulatory Act.
<b>Effective Date/Priority</b>	June 1, 2013
<b>ERCOT Impact</b>	Minor impacts to ERCOT internal applications which can be absorbed; ERCOT business functions will be updated.
<b>Business Case Highlights</b>	<ul style="list-style-type: none"> <li>• Provides clarity about provider of services within a NOIE territory.</li> <li>• Third party QSEs must obtain written permission before recruiting NOIE customers or focus the third party QSEs' resources in competitive areas. Focusing third party QSEs on areas where they can actually increase program participation should allow a faster growth rate of ERS and provide greater market benefits.</li> <li>• Will save QSE and NOIE time/effort which could be better spent recruiting customers who can participate in a program.</li> </ul>



# PGRR025, Addition of Criteria for Autotransformer Unavailability

<b>Purpose</b> (PLWG)	This PGRR adds testing and performance requirements to the ERCOT reliability criteria for the unavailability of any 345/138 kV autotransformer.
<b>TAC Vote</b>	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.
<b>ERCOT Opinion</b>	ERCOT supports approval of PGRR025 as improvements to the planning criteria contribute to a more reliable system and lower congestion costs.
<b>Effective Date/Priority</b>	June 1, 2013
<b>ERCOT Impact</b>	O&M: \$60k - \$75k short-term budget impact for ERCOT Staff augmentation; Long-term: 0.2 FTE impact to Transmission Planning (can be absorbed by existing ERCOT Staff).
<b>Business Case Highlights</b>	<ul style="list-style-type: none"> <li>• Increased reliability of the ERCOT System.</li> <li>• Better aligns planning analysis with Real-Time operational conditions.</li> </ul>



# **Methodology for Setting the Shadow Price Caps and Power Balance Penalties in Security-Constrained Economic Dispatch**

- Paragraph (4) of Protocol Section 6.5.7.1.11, Transmission Network and Power Balance Constraint Management, requires ERCOT to determine the methodology for setting maximum Shadow Prices for network constraints and for the power balance constraint. Following review and recommendation by the TAC, the ERCOT Board shall review the recommendation and approve a final methodology.
- On 5/2/13, TAC unanimously recommended approval of the Methodology for Setting the Shadow Price Caps and Power Balance Penalties in Security-Constrained Economic Dispatch as recommended by ERCOT and as revised by TAC.
- Summary of proposed changes:
  - Revision to the Power Balance Penalty Curve in preparation of the increased System Wide Offer Cap on 6/1/13.
  - Revisions to remove the dependency of the methodology on the competitiveness status of a constraint for consistency with changes to NPRR520, Real-Time Mitigation Rules and Creation of a Real-Time Constraint Competitiveness Test.



# May TAC Highlights

## **Methodology for Setting the Shadow Price Caps and Power Balance Penalties in Security-Constrained Economic Dispatch**

TAC also voted via roll call to recommended approval of the proposed revisions to methodology for setting maximum Shadow Prices as recommended by AEP and as revised by Luminant and requested ERCOT to return with an Impact Analysis to the June TAC. There were two opposing votes from the Generator and IPM Market Segments and ten abstentions from the Generator (3), IPM (3), IREP (3) and IOU Market Segments.

## **State Estimator Standards Telemetry Standards**

TAC unanimously voted to approve the revised State Estimator Standards and Telemetry Standards as recommended by ROS. The revisions synchronize the documents so TAC is the final approval authority for both documents, designate ROS to approve the list of 20 most important station voltages, and provide other administrative edits.



# May TAC Highlights

## Citigroup Energy Appeal of PRS Rejection of NPRR444, Supplemental Reliability Deployments

- NPRR444 proposed revisions to remove influences from the market for more accurate price formation when Generation and Load Resources are deployed for reliability purposes.
- On 3/21/13, the PRS vote to recommend approval of NPRR444 as amended by the 12/20/12 ERCOT comments and direct that NPRR444 return to PRS with an Impact Analysis failed via roll call vote. There were ten opposing votes from the Consumer (2), Cooperative (3), IOU, IREP and Municipal (3) Market Segments and one abstention from the IREP Market Segment. Due to lack of a subsequent passing vote, NPRR444 was deemed rejected by PRS under Section 21.4.4, Protocol Revision Subcommittee Review and Action.
- On 4/4/13, Citigroup Energy appealed the PRS rejection to TAC requesting that TAC grant the appeal of NPRR444, moves to table it for one month, and request ERCOT to perform an Impact Analysis for review by TAC at its next regularly scheduled meeting.
- On 5/2/13, a TAC motion to grant the Citigroup Energy appeal failed via roll call vote with 16 opposing votes from the Consumer (6), Cooperative, IREP, IOU and Municipal (4) Market Segments and 3 abstentions from the IREP Market Segment.
- A subsequent TAC motion to reject the Citigroup Energy appeal passed via roll call vote with one opposing vote from the IOU Market Segment and 13 abstentions from the Generator (4), IPM (4), IREP (4) and IOU Market Segments.



## **Threshold Values for Competitive Constraint Test**

- NPRR520, Real-Time Mitigation Rules and Creation of a Real-Time Constraint Competitiveness Test, approved by the 3/19/13 Board, called for a TAC approved document which would define a set of thresholds to be used to determine the competitive designation of a constraint and the Resources for which mitigation will be applied in SCED Step 2 as part of the Long-term and SCED Competitive Constraint Test processes.
- TAC unanimously voted to recommend approval of the Threshold Values for Competitive Constraint Test document as recommended by WMS and as revised by TAC (revising the ECIT2 value to 2300).
- TAC also unanimously voted to add the document to the Other Binding Document List.



# Notice of Guide Revisions Approved by TAC

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## **NOGRR107, Disturbance Monitoring Requirements Clarification**

This NOGRR clarifies disturbance monitoring requirements.

## **LPGRR049, Include AMS ESI IDs in the Annual Validation Process**

Electric Service Identifiers (ESI IDs) with provisioned Advanced Meters have been excluded from the Annual Validation of the Load Profile Segment process. This Load Profiling Guide Revision Request (LPGRR) includes these ESI IDs back in the Annual Validation process and runs their winter interval usage data through an algorithm to determine whether they should be assigned High Winter Ratio (HIWR) or Low Winter Ratio (LOWR).