

PROJECT NO. 40000

COMMISSION PROCEEDING TO § PUBLIC UTILITY COMMISSION
ENSURE RESOURCE ADEQUACY IN §
TEXAS § OF TEXAS

**ERCOT IMPACT ANALYSIS ESTIMATING COST AND TIMELINE
FOR IMPLEMENTATION OF ORDC B+ PROPOSAL**

COMES NOW, Electric Reliability Council of Texas, Inc. (ERCOT) and submits the attached Impact Analysis (Attachment A) regarding the proposal to improve real-time scarcity pricing through implementation of an Operating Reserve Demand Curve (ORDC), as discussed in the white paper filed in this project on March 22, 2013 (the proposal hereinafter referred to as “ORDC B+”).¹

ERCOT staff prepared the Impact Analysis in response to the Commission’s request, stated at its March 28, 2013 Open Meeting, for information regarding the cost and timeline estimated by ERCOT for the implementation of ORDC B+. ERCOT conducted the analysis using the same process for developing implementation cost and timeline information for Protocol revision requests.

ERCOT staff is available to respond to questions about the Impact Analysis, as requested by the Commission.

¹ ERCOT’s Response to the Commission’s Request for Additional Analysis of the “Interim Solution B” Scarcity Pricing Proposal Discussed at the January 24, 2013 Workshop, Project No. 40000 (March 22, 2013) (Interchange Item 392).

Respectfully submitted,

By: _____

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Concept	Operating Reserve Demand Curve (ORDC) B+ Real Time (Preliminary Impact Analysis)
Impact Analysis Date	May 17, 2013
Cost / Budgetary Impact	Between \$100,000 and \$200,000
Estimated Project Duration	The timeline for implementing this concept is dependent upon ERCOT Board prioritization and approval of a corresponding Nodal Protocol Revision Request (NPRR). Estimated project duration: 6 to 8 months
ERCOT Staffing Impacts (all areas)	No impacts to ERCOT staffing
ERCOT Computer System Impacts	The following ERCOT systems would be impacted: <ul style="list-style-type: none"> * Settlements and Billing (S&B) * Market Management System (MMS) * Current Day Reports (CDR) * Information Systems Master (ISM) * Price Validation Tool (PVT)
ERCOT Business Function Impacts	ERCOT will update its business processes to implement this concept
Grid Operations & Practices Impacts	No impacts to Grid Operations and Practices
Alternatives for a More Efficient Implementation <i>(include explanation of impacts)</i>	
Evaluation of Interim Solutions (e.g., manual workarounds)	
None offered	
Feasibility of Implementation	
Impact on Resource Availability: None identified Impact on Other Projects: None identified	
Evaluation of Interim Solutions (e.g., manual workarounds)	
None offered.	

Comments
<p>This Impact Analysis is based on the ORDC B+ concept detailed in ERCOT's "Response to the Commission's Request for Additional Analysis of the 'Interim Solution B' Scarcity Pricing Proposal Discussed at the January 24, 2013 Workshop," filed in PUCT Project No. 40000 on March 22, 2013.</p> <p>Impact of 40 hours to recode and test in Settlements Upgrade project (included in estimate).</p> <p>If development is completed in 2013, this will not impact the Settlements Upgrade project schedule.</p> <p>Minimal impact on MMS Tech Refresh project because this change affects ERCOT-developed code only.</p>