

**Date:** November 12, 2013  
**To:** ERCOT Board of Directors  
**From:** Kenan Ögelman, Technical Advisory Committee (TAC) Chair  
**Subject:** Unopposed NPRRs and PGRR Recommended by TAC for Approval

**Issue for the ERCOT Board of Directors**

**ERCOT Board of Directors (ERCOT Board) Meeting Date:** November 19, 2013

**Agenda Item No.:** 2.1

**Issue:**

Consideration of the following Revision Requests recommended for approval by TAC (with no opposing votes recorded):

- NPRR527, Required Combined Cycle Telemetry for Operational Awareness and PDCWG Analysis
- NPRR536, ERS Time Obligation Certainty
- NPRR543, Message for Confirmed E-Tags
- NPRR545, Removal of Reference to Wave Traps
- NPRR546, Removal of References to RUC Notifications
- NPRR547, Governor Test Data
- NPRR548, Remove NPRR153 Grey Boxes and Clarify Fixed Quantity Block Treatment in the DAM
- NPRR549, Clarification for Posting Transmission Loss Factors
- NPRR550, Modifications to Planning Reserve Margin Inputs – URGENT
- NPRR553, Monthly BLT Payment and Charge for Presidio Exception
- NPRR559, Revisions to MCE Calculation
- NPRR568, Real-Time Reserve Price Adder Based on Operating Reserve Demand Curve – URGENT, and related, proposed Other Binding Document, “Methodology for Implementing Operating Reserve Demand Curve”
- NPRR570, Reduce RTM Settlement Timeline to Operating Day Plus Five – URGENT
- PGRR029, Deadline for Regional Transmission Plan

**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.**

- ***NPRR527, Required Combined Cycle Telemetry for Operational Awareness and PDCWG Analysis [ERCOT].***

**Revision Description:** This Nodal Protocol Revision Request (NPRR) requires Combined Cycle Generation Resources to telemeter individual High Sustainable Limits (HSLs) for gas and steam turbines. The HSLs for combustion and steam turbines were previously submitted in the zonal market and ERCOT requests this practice be resumed in the Nodal market.

**Proposed Effective Date:** Upon System Implementation – Priority 2014; Rank 990

**ERCOT Impact Analysis:** \$100k - \$110k; no impacts to ERCOT staffing; impacts to Network Model Management System (NMMS); no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.

**ERCOT Opinion:** ERCOT supports approval of NPRR527.

**TAC Decision:** On 9/5/13, TAC unanimously voted to recommend approval of NPRR527 as recommended by PRS in the 8/22/13 PRS Report.

- ***NPRR536, ERS Time Obligation Certainty [Demand Side Working Group (DSWG)].***

**Revision Description:** This NPRR strikes language which has the effect of creating an uncertain and indefinite obligation to provide ongoing Demand response capacity in an Emergency Condition.

**Proposed Effective Date:** December 1, 2013

**ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; no impacts to ERCOT computer systems; ERCOT business functions will be updated; no impacts to ERCOT grid operations and practices.

**ERCOT Opinion:** ERCOT supports approval of NPRR536 since defining the maximum duration for which Emergency Response Service (ERS) Resources may be deployed may encourage ERS program participation, thereby increasing capacity in the ERCOT System.

**TAC Decision:** On 9/5/13, TAC voted to recommend approval of NPRR536 as recommended by PRS in the 7/18/13 PRS Report. There were two abstentions from the Independent Power Marketer (IPM) and Investor Owned Utility (IOU) Market Segments.

- ***NPRR543, Message for Confirmed E-Tags [Tenaska].***

**Revision Description:** This NPRR provides for notification when a confirmed Electronic Tag (e-Tag) is downloaded, cancelled, or curtailed by ERCOT's systems.

**Proposed Effective Date:** Upon System Implementation – Priority 2014; Rank 980

**ERCOT Impact Analysis:** \$40k - \$60k; no impacts to ERCOT staffing; impacts to Market Information System (MIS), Market Management System (MMS), Enterprise Integration (EI), and MMS User Interface (MMS UI); no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.

**ERCOT Opinion:** ERCOT supports approval of NPRR543 as the additional e-Tag functionality will provide greater data transparency, thereby reducing the amount of errors and minimizing future Settlement disputes regarding Direct Current Tie (DC Tie) scheduling.

**TAC Decision:** On 9/5/13, TAC unanimously voted to recommend approval of NPRR543 as recommended by PRS in the 7/18/13 PRS Report.

- ***NPRR545, Removal of Reference to Wave Traps [ERCOT].***

**Revision Description:** This NPRR removes a reference to wave traps as this equipment is not modeled in ERCOT systems.

**Proposed Effective Date:** December 1, 2013

**ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; 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 NPRR545.

**TAC Decision:** On 9/5/13, TAC unanimously voted to recommend approval of NPRR545 as recommended by PRS in the 7/18/13 PRS Report.

- ***NPRR546, Removal of References to RUC Notifications [ERCOT].***

**Revision Description:** This NPRR removes outstanding references to “Reliability Unit Commitment (RUC) Notifications.” This language is no longer relevant as a result of changes made through NPRR321, Allow Change to Energy Offer Curve MW Amounts in the Adjustment Period, which was approved by the ERCOT Board on 9/20/11.

**Proposed Effective Date:** December 1, 2013

**ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; 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 NPRR546.

**TAC Decision:** On 9/5/13, TAC unanimously voted to recommend approval of NPRR546 as recommended by PRS in the 7/18/13 PRS Report.

- ***NPRR547, Governor Test Data [ERCOT].***

**Revision Description:** This NPRR aligns the Protocols with current practice by clarifying that Governor test results are made available to Transmission Service Providers (TSPs).

**Proposed Effective Date:** December 1, 2013

**ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; 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 NPRR547.

**TAC Decision:** On 9/5/13, TAC unanimously voted to recommend approval of NPRR547 as recommended by PRS in the 7/18/13 PRS Report and as amended by the 9/3/13 Austin Energy comments.

- ***NPRR548, Remove NPRR153 Grey Boxes and Clarify Fixed Quantity Block Treatment in the DAM [ERCOT].***

**Revision Description:** This NPRR removes the grey boxes that are pending implementation of system changes associated with NPRR153, Generation Resource Fixed Quantity Block. Further, this NPRR provides clarification for how the Day-Ahead Market (DAM) currently considers block offers and bids for Ancillary Services.

**Proposed Effective Date:** December 1, 2013

**ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; 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 NPRR548.

**TAC Decision:** On 9/5/13, TAC unanimously voted to recommend approval of NPRR548 as recommended by PRS in the 8/22/13 PRS Report.

- ***NPRR549, Clarification for Posting Transmission Loss Factors [ERCOT].***  
**Revision Description:** This NPRR clarifies the posting requirements for Transmission Loss Factors (TLFs).  
**Proposed Effective Date:** December 1, 2013  
**ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; 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 NPRR549.  
**TAC Decision:** On 9/5/13, TAC unanimously voted to recommend approval of NPRR549 as recommended by PRS in the 8/22/13 PRS Report.
- ***NPRR550, Modifications to Planning Reserve Margin Inputs [Generation Adequacy Task Force (GATF)].***  
**Revision Description:** This NPRR proposes modifications to the Planning Reserve Margin (PRM) based on the results of the 2012 ERCOT Loss of Load Study and subsequent discussions of the GATF; and removes language in Section 21.1, Introduction, that allows Section 3.2.6.1, Minimum ERCOT Planning Reserve Margin Criterion, to be revised via the Administrative NPRR process.  
**Proposed Effective Date:** December 1, 2013  
**ERCOT Impact Analysis:** Less than \$5k; no impacts to ERCOT staffing; impacts to ERCOT.com which will be absorbed by Operations & Management (O&M) budget of affected departments; no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.  
**ERCOT Opinion:** ERCOT supports approval of NPRR550 it revises the PRM calculation inputs based on analysis of the 2012 Loss of Load study, recommendations from the GATF, and comments from the Texas Reliability Entity (Texas RE).  
**TAC Decision:** On 11/7/13, TAC voted to recommend approval of NPRR550 as recommended by PRS in the 9/19/13 PRS Report. There were two abstentions from the Consumer Market Segment.
- ***NPRR553, Monthly BLT Payment and Charge for Presidio Exception [Communications and Settlements Working Group (CSWG)].***  
**Revision Description:** This NPRR introduces a new monthly charge type allocated through monthly Load Ratio Share (LRS) for energy associated with the Presidio Exception.  
**Proposed Effective Date:** December 1, 2013 (for manual process); Upon System Implementation – Priority 2014; Rank 1000 (for automation)  
**ERCOT Impact Analysis:** \$10k - \$25k; no impacts to ERCOT staffing; impacts to Settlement and Billing (S&B); ERCOT business functions will be updated; no impacts to ERCOT grid operations and practices.  
**ERCOT Opinion:** ERCOT supports approval of NPRR553 as the new charge type will provide added transparency improving participants' ability to shadow settle.  
**TAC Decision:** On 9/5/13, TAC unanimously voted to recommend approval of NPRR553 as recommended by PRS in the 8/22/13 PRS Report.

- NPRR559, Revisions to MCE Calculation [ERCOT].***  
**Revision Description:** This NPRR revises the definition of the Minimum Collateral Exposure (MCE) component of Total Potential Exposure (TPE) to allow adjustment for the revised Settlement cycle that will be effective with implementation of NPRR509, Shortened RTM Settlement Cycle; changes MCE from “Minimum Collateral Exposure” to “Minimum Current Exposure” for consistency with other Protocol language and with existing Counter-Party reports; and clarifies the approval process for variables M1 and M2 to specify that TAC and ERCOT Board-approved changes will be implemented on the first day of the month following ERCOT Board approval unless otherwise directed by the ERCOT Board.  
**Proposed Effective Date:** Upon System Implementation – Priority 2014; Rank 1020  
**ERCOT Impact Analysis:** \$10k - \$15k; no impacts to ERCOT staffing; impacts to Credit Monitoring and Management (CMM) system; no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.  
**ERCOT Opinion:** ERCOT supports approval of NPRR559.  
**TAC Decision:** On 10/3/13, TAC unanimously voted to recommend approval of NPRR559 as recommended by PRS in the 9/19/13 PRS Report.
- NPRR568, Real-Time Reserve Price Adder Based on Operating Reserve Demand Curve [ERCOT] - URGENT, and related, proposed Other Binding Document, “Methodology for Implementing Operating Reserve Demand Curve”.***  
**Revision Description:** This NPRR requires ERCOT to implement an Operating Reserve Demand Curve (ORDC) in the Real-Time Market (RTM) to determine the Real-Time price adder for Real Time Settlement Point Prices. Additionally, the NPRR requires ERCOT to determine the methodology for implementing the ORDC to calculate the Real-Time On-Line Reserve Price Adder and Real-Time Off-Line Reserve Price Adder in a document to be reviewed by TAC and approved by the ERCOT Board. The related, proposed Other Binding Document, “Methodology for Implementing Operating Reserve Demand Curve (ORDC) to Calculate Real-Time Reserve Price Adder”, is included for your review and approval.  
**Proposed Effective Date:** Upon system implementation – Priority 2013; Rank 70; Category - Regulatory  
**ERCOT Impact Analysis:** \$600k - \$800k (system implementation), \$120k - \$130k (annual recurring O&M); 0.5 FTE impacts in Grid Operations, 0.1 FTE impacts in Market Analysis (absorbed by existing staff), and 1 FTE impact in Operations Analysis; impacts to Energy Management System (EMS), Network Model Management System (NMMS), MMS, Price Validation Tool (PVT), Settlements & Billing (S&B), Commercial System Integration (CSI), Current Day Reports (CDR), Information Systems Master (ISM), and Enterprise Integration (EI); ERCOT business processes will be updated; ERCOT grid operations and practices will be updated.  
**ERCOT Opinion:** ERCOT supports approval of NPRR568.  
**TAC Decision:** On 11/7/13, TAC voted via roll call vote to recommend approval of NPRR568 as recommended by PRS in the 10/18/13 PRS Report, as amended by the 11/6/13 ERCOT comments and as revised by TAC with a phased approach for implementation as recommended by ERCOT in the 11/5/13 Impact Analysis. There was one abstention from

the IOU Market Segment. TAC then unanimously voted to recommend approval of the “Methodology for Implementing Operating Reserve Demand Curve (ORDC) to Calculate Real-Time Reserve Price Adder” as amended by the 11/6/13 ERCOT comments – Attachment 1, and as revised by TAC with a proposed effective date of upon ERCOT Board approval; and to add the methodology to the Other Binding Document List. *See 10/31/13 Credit Work Group comments.*

- ***NPRR570, Reduce RTM Settlement Timeline to Operating Day Plus Five [COPS/CSWG] - URGENT.***

**Revision Description:** This NPRR proposes a phased approach to change the posting date for the RTM Initial Settlement Statement from seven days after the Operating Day to five days after the Operating Day and changes the posting date of the Final Settlement Statement from the 57<sup>th</sup> day after the Operating Day to the 55<sup>th</sup> day after the Operating Day.

**Proposed Effective Date:** Phase One – January 1, 2014; Phase Two - Upon system implementation – Priority 2014; Rank 1030 targeting May 1, 2014 unless the ERCOT Board affirmatively votes to delay implementation of Phase Two to a later date or condition.

**ERCOT Impact Analysis:** Less than \$10k; no impacts to ERCOT staffing; impacts to CSI; ERCOT business processes will be updated; no impacts to ERCOT grid operations and practices.

**ERCOT Opinion:** ERCOT supports approval of NPRR570 as it is responsive to concerns raised at the Public Utility Commission of Texas (PUCT) and the ERCOT Board regarding impacts of the forthcoming increase to the System Wide Offer Cap (SWCAP) by further reducing the Settlement timeline which should reduce credit exposure and default uplift risk.

**TAC Decision:** On 11/7/13, TAC unanimously voted to recommend approval of NPRR570 as recommended by PRS in the 10/17/13 PRS Report and as amended by the 10/31/13 ERCOT comments with an effective date of January 1, 2014 for Phase One and a recommended priority and rank of 2014 and 1030 for Phase Two targeting a May 1, 2014 effective date. *See 10/31/13 Credit Work Group comments.*

- ***PGRR029, Deadline for Regional Transmission Plan [ERCOT].***

**Revision Description:** This Planning Guide Revision Request (PGRR) establishes an annual deadline of December 31<sup>st</sup> for ERCOT to complete the Regional Transmission Plan; and proposes a non-substantive correction in Section 3.1.1.4.

**Proposed Effective Date:** December 1, 2013

**ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; 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 PGRR029.

**TAC Decision:** On 9/5/13, TAC unanimously voted to recommend approval of PGRR029 as recommended by ROS in the 7/11/13 ROS Report.

The TAC Reports and Impact Analyses for these Revision Requests are included in the ERCOT Board meeting materials which can found at the following link:

<http://www.ercot.com/calendar/2013/11/20131119-BOD>

In addition, these Revision Requests and supporting materials are posted on the ERCOT website at the following links:

<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 527, 536, 543, 545, 546, 547, 548, 549, 550, 553, 559, 568 and the related, proposed Other Binding Document, and 570.

The ROS met, discussed the issues, and submitted a report to TAC regarding PGRR029.

TAC considered the issues and voted to take action on NPRRs 527, 536, 543, 545, 546, 547, 548, 549, 550, 553, 559, 568 and the related, proposed Other Binding Document, and 570; and PGRR029 as described above.

**Conclusion/Recommendation:**

As more specifically described above, TAC recommends that the ERCOT Board approve NPRRs 527, 536, 543, 545, 546, 547, 548, 549, 550, 553, 559, 568 and the related, proposed Other Binding Document, and 570; and PGRR029 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 Requests:

- NPRR527, Required Combined Cycle Telemetry for Operational Awareness and PDCWG Analysis
- NPRR536, ERS Time Obligation Certainty
- NPRR543, Message for Confirmed E-Tags
- NPRR545, Removal of Reference to Wave Traps
- NPRR546, Removal of References to RUC Notifications
- NPRR547, Governor Test Data
- NPRR548, Remove NPRR153 Grey Boxes and Clarify Fixed Quantity Block Treatment in the DAM
- NPRR549, Clarification for Posting Transmission Loss Factors
- NPRR550, Modifications to Planning Reserve Margin Inputs – URGENT
- NPRR553, Monthly BLT Payment and Charge for Presidio Exception
- NPRR559, Revisions to MCE Calculation
- NPRR568, Real-Time Reserve Price Adder Based on Operating Reserve Demand Curve – URGENT, and related, proposed Other Binding Document, "Methodology for Implementing Operating Reserve Demand Curve"
- NPRR570, Reduce RTM Settlement Timeline to Operating Day Plus Five – URGENT
- PGRR029, Deadline for Regional Transmission Plan

THEREFORE be it RESOLVED, that the ERCOT Board hereby approves NPRRs 527, 536, 543, 545, 546, 547, 548, 549, 550, 553, 559, 568 and the related, proposed Other Binding Document, and 570; and PGRR029.

**CORPORATE SECRETARY'S CERTIFICATE**

I, Vickie G. Leady, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its November 19, 2013 meeting, the ERCOT Board passed a motion approving the above Resolution by \_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of November 2013.

\_\_\_\_\_  
Vickie G. Leady  
Assistant Corporate Secretary