

# TAC Report

<b>NPRR Number</b>	<b>635</b>	<b>NPRR Title</b>	<b>Clarification of Congestion Revenue Right Source/Sink Points</b>
<b>Timeline</b>	Normal	<b>Action</b>	Recommended Approval
<b>Date of Decision</b>	August 28, 2014		
<b>Proposed Effective Date</b>	November 1, 2014		
<b>Priority and Rank Assigned</b>	Not applicable.		
<b>Nodal Protocol Section(s) Requiring Revision</b>	3.10.3, CRR Network Model 3.10.3.1, Process for Managing Changes in Updated Network Operations Model for Resource Retirements or Point of Interconnection Changes (new)		
<b>Other Binding Documents Requiring Revision or Related Revision Requests</b>	None.		
<b>Revision Description</b>	This Nodal Protocol Revision Request (NPRR) will establish that Resource Settlement Points are retained in ERCOT Congestion Revenue Right (CRR) and Day-Ahead Market (DAM) models until there is no further Resource association with the Settlement Point.		
<b>Reason for Revision</b>	<input checked="" type="checkbox"/> Addresses current operational issues. <input type="checkbox"/> Meets Strategic goals (tied to the <a href="#">ERCOT Strategic Plan</a> or directed by the ERCOT Board). <input checked="" type="checkbox"/> Market efficiencies or enhancements <input type="checkbox"/> Administrative <input type="checkbox"/> Regulatory requirements <input type="checkbox"/> Other: (explain) <i>(please select all that apply)</i>		
<b>Credit Work Group Review</b>	ERCOT Credit Staff and the Credit Work Group (Credit WG) have reviewed NPRR635 and do not believe that it requires changes to credit monitoring activity or the calculation of liability.		
<b>Procedural History</b>	<ul style="list-style-type: none"> <li>➤ On 6/25/14, NPRR635 was posted.</li> <li>➤ On 7/11/14, WMS comments were posted.</li> <li>➤ On 7/17/14, PRS considered NPRR635.</li> <li>➤ On 7/30/14, an Impact Analysis was posted.</li> <li>➤ On 8/14/14, PRS considered the 7/17/14 PRS Report and Impact Analysis for NPRR635.</li> <li>➤ On 8/28/14, TAC considered NPRR635.</li> </ul>		

## TAC Report

<b>PRS Decision</b>	<p>On 7/17/14, PRS voted to recommend approval of NPRR635 as revised by PRS. There was one abstention from the Independent Power Marketer (IPM) Market Segment. All Market Segments were present for the vote.</p> <p>On 8/14/14, PRS unanimously voted to endorse and forward the 7/17/14 PRS Report and the Impact Analysis for NPRR635 to TAC. All Market Segments were present for the vote.</p>
<b>Summary of PRS Discussion</b>	<p>On 7/17/14, Market Participants discussed whether there were other alternatives to those presented in NPRR635 but agreed that the changes were needed.</p> <p>On 8/14/14, there was no discussion.</p>
<b>TAC Decision</b>	On 8/28/14, TAC unanimously voted to recommend approval of NPRR635 as recommended by PRS in the 8/14/14 PRS Report. All Market Segments were present for the vote.
<b>Summary of TAC Discussion</b>	On 8/28/14, there was no discussion.
<b>ERCOT Opinion</b>	ERCOT supports this NPRR as it clarifies and provides transparency to ERCOT processes for managing Resource Nodes in the Network Operations Model.

<b>Business Case</b>	
<b>Qualitative Benefits</b>	<ul style="list-style-type: none"> <li>Clarifies expectations of CRR pricing points for purposes of CRR Auctions. The system is experiencing Resource retirements or Resources changing Points of Interconnection (POIs) and this NPRR clarifies what will happen in the CRR model when these situations occur.</li> </ul>
<b>Quantitative Benefits</b>	<ul style="list-style-type: none"> <li>Clarifies expectations of CRR pricing points.</li> </ul>
<b>Impact to Market Segments</b>	<ul style="list-style-type: none"> <li>Clarifies expectations of CRR pricing points.</li> </ul>
<b>Credit Implications</b>	<ul style="list-style-type: none"> <li>None.</li> </ul>
<b>Other</b>	

<b>Sponsor</b>	
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# TAC Report

<b>Market Segment</b>	Independent Power Marketer (IPM)
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<b>Comments Received</b>	
<b>Comment Author</b>	<b>Comment Summary</b>
WMS 071114	Endorsed NPRR635 as submitted.

<b>Proposed Protocol Language Revision</b>
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### **3.10.3 CRR Network Model**

- (1) ERCOT shall develop models for CRR Auctions that contain, as much as practicable, information consistent with the Network Operations Model. Names of Transmission Elements in the Network Operations Model and the CRR Network Model must be identical for the same physical equipment.
- (2) ERCOT shall verify that the names of Hub Buses and Electrical Buses used to describe the same device in any Hub are identically named in both the Network Operations Model and the CRR Network Model.
- (3) Each CRR Network Model must include:
  - (a) A complete one-line diagram with all Settlement Points (indicating the Settlement Point that the Electrical Bus is a part of) and including all Hub Buses used to calculate Hub prices (if applicable);
  - (b) Generation Resource locations;
  - (c) Transmission Elements;
  - (d) Transmission impedances;
  - (e) Transmission ratings;
  - (f) Contingency lists;
  - (g) Data inputs used in the calculation of Dynamic Ratings, and

# TAC Report

- (h) Other relevant assumptions and inputs used for the CRR Network Model.
- (4) ERCOT shall make available to TSPs and/or DSPs and all appropriate Market Participants, consistent with applicable policies regarding release of CEII, the CRR Network Model. ERCOT shall provide model information through the use of the EPRI and NERC-sponsored CIM and web based XML communications or PSS/E format.

## 3.10.3.1 Process for Managing Changes in Updated Network Operations Model for Resource Retirements or Point of Interconnection Changes

- (1) Following the retirement or permanent change in Point of Interconnection (POI) of all Resources associated with a Resource Node, ERCOT shall retain the associated Settlement Point in the Network Operations Model at its existing location or an electrically similar location until all outstanding CRRs associated with that Settlement Point have expired. A change in POI is considered permanent if no Resource retains an association with that Settlement Point. For purposes of the CRR Auction model for calendar periods that are prior to the expiration date of all CRRs associated with the Settlement Point, the Settlement Point will continue to be available as a sink or source for CRR Auction transaction submittals. For calendar months that are beyond the expiration date of all CRRs associated with the Settlement Point, the Settlement Point will not be available for transaction submittals in the associated CRR Auctions. The Settlement Point will be removed from the Network Operations Model once all associated CRRs have expired.