

The Wholesale Market Subcommittee Update

Prepared for the July 30th TAC meeting

Voting items

- VCMRR007, Alignment with NPRR699, Energy Offer Curve Caps for Make-Whole Calculations for Resource Type Other
- VCMRR008, Alignment with NPRR700, Utilizing Actual Fuel Cost in Startup Offer Caps

Issues were identified with NPRR 638

- The decoupling of price and volume credit components in the EAL led to back casted exposures that did not resemble the risk of market activity
- The CWG/MCWG have started looking at different proposals to capture seasonal risk
 - Utilize forward marks to adjust credit requirements
 - Concept is still being fleshed out

Consider alternative implementation options for automation of NPRR664

- RCWG developed three options
 - Option 1- Restart manual implementation of NPRR 664. Would need an NPRR to do so.
 - Option 2- Resources can set an Exceptional Fuel Event “Flag” due to an exceptional event. Resources with Flag set would not be mitigated
 - Option 3- Increase MOC’s during Cold Weather Events through multipliers in 4.4.9.4.1(e)

TAC Assignment List Update

WMS Assignments From The TAC		
Date	Assignment	Status
4/24/14	Evaluate concerns with bringing RUC units earlier than required because of start-up failures	Reviewing ERCOT's procedure to utilize the SASM. QMWG is waiting for a revised procedure that is more specific about where and when wind chill is monitored. Also, exploring a substitute to utilizing wind chill for short-term capacity sufficiency.
8/28/14	NPRR181, FIP Definition Revision, tabled	NPRR 181 synchs the timing of the gas day (10 AM – 9AM of next day) with the ERCOT system implementation of FIP (midnight to midnight). NPRR submitted to eliminate the approved language in NPRR 181.
9/25/14	Voltage Reduction – assess cost issues and applicability to loads as well as market impacts	The Voltage Reduction Task Force survey to ascertain the MW impact of VR is completed and might be presented at June ROS. QMWG will review the results of that survey.
12/18/14	Consider alternative implementation options for automation of NPRR664, Fuel Index Price for Resource Definition and Real-Time Make-Whole Payments for Exceptional Fuel Cost Events.	Reference previous slides
12/18/14	Review of determination of RRS Under 2015 Ancillary Service Methodology and NERC BAL-003	Review will begin after changes take place for a meaningful period of time
5/28/15	Review ways to improve SASM (ERCOT to support with analysis)	Reviewing what is leading to lack of participation and relatively high clearing prices