

Date: October 6, 2015
To: ERCOT Board of Directors
From: Randa Stephenson, Technical Advisory Committee (TAC) Chair
Subject: Unopposed Nodal Protocol Revision Requests (NPRRs) and Resource Registration Glossary Revision Request (RRGRR) Recommended by TAC for Approval

Issue for the ERCOT Board of Directors

ERCOT Board of Directors Meeting Date: October 13, 2015

Item No.: 2.1

Issue:

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

- NPRR663, Ancillary Service Insufficiency Actions;
- NPRR704, Revisions to the Size of Aggregate Generation Resources;
- NPRR717, Clarification of EPS Metering Exception for ERS Generation;
- NPRR718, Correct Requirement for Posting AML Data;
- NPRR721, Removal of Language Related to NPRR455, CRR Shift Factors Report;
- NPRR722, Removal of Language Related to NPRR181, FIP Definition Revision;
- NPRR723, Removal of grey-boxes from NPRR256, Add Non-Compliance Language to QSE Performance Standards;
- NPRR724, Removal of Language Related to NPRR493, Half-Hour RUC Clawback; and
- RRGRR006, Clarification of Descriptions and Alignment with Resource Asset Registration Forms

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.

• ***NPRR663, Ancillary Service Insufficiency Actions [ERCOT]***

Revision Description: This Nodal Protocol Revision Request (NPRR) specifies the actions ERCOT will take to ensure sufficient Ancillary Service capacity exists in the event that ERCOT is unable to procure enough Ancillary Service capacity to meet its Ancillary Service Plan through the Day-Ahead Market (DAM). In summary, Supplementary Ancillary Service Market (SASM) and Hourly Reliability Unit Commitment (HRUC) will be used, and in the event that Ancillary Service is still insufficient, Ancillary Service will be assigned to Qualified Scheduling Entities (QSEs) with Generation Resources based on available capacity.

Proposed Effective Date: Upon system implementation of NPRR689, Settlement of Ancillary Service Assignment in Real-Time Operations.

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

ERCOT Opinion: ERCOT supports approval of NPRR663.

TAC Decision: On 9/24/15, TAC voted to recommend approval of NPRR663 as recommended by PRS in the 9/10/15 PRS Report. There were two abstentions from the Consumer Market Segment (CMC Steel Texas and Air Liquide).

- ***NPRR704, Revisions to the Size of Aggregate Generation Resources [STEC]***

Revision Description: This NPRR increases the limitation on the size of the individual Resource comprising an Aggregate Generation Resource (AGR).

Proposed Effective Date: Upon system implementation.

ERCOT Impact Analysis: Less than \$10k (O&M); no impacts to ERCOT staffing; impacts to the Resource Asset Registration Form (RARF); no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.

ERCOT Opinion: ERCOT supports Market Participants' decision on NPRR704 as it increases the limitation on the size of the individual Resource comprising an AGR without impacting reliability.

TAC Decision: On 8/27/15, TAC unanimously voted to recommend approval of NPRR704 as recommended by PRS in the 8/13/15 PRS Report.

- ***NPRR717, Clarification of EPS Metering Exception for ERS Generation [Austin Energy]***

Revision Description: This NPRR adds language to exempt generation offering Emergency Response Service (ERS) during the current contract period from the ERCOT-Polled Settlement (EPS) metering requirement and allow the EPS-exempt ERS Generator to export energy to the ERCOT System during equipment testing.

Proposed Effective Date: November 1, 2015

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 NPRR717 as it provides consistent treatment for ERS Generators, whether they are connected to the ERCOT Transmission Grid, the ERCOT System, or the Distribution System.

TAC Decision: On 9/24/15, TAC unanimously voted to recommend approval of NPRR717 as recommended by PRS in the 9/10/15 PRS Report.

- ***NPRR718, Correct Requirement for Posting AML Data [ERCOT]***

Revision Description: This NPRR corrects the Protocols so that Adjusted Metered Load (AML) data is available for six months after posting. Current Protocol language requires that AML data be available for six months after the Operating Day. However, the Protected Information Status of AML data expires 180 days after the Operating Day, making the posting requirement infeasible.

Proposed Effective Date: Upon system implementation.

ERCOT Impact Analysis: Less than \$5k (O&M); no impacts to ERCOT staffing; impacts

to Enterprise Information Services (EIS); no impacts to ERCOT business functions; no impacts to ERCOT grid operations and practices.

ERCOT Opinion: ERCOT supports approval of NPRR718.

TAC Decision: On 9/24/15, TAC unanimously voted to recommend approval of NPRR718 as recommended by PRS in the 9/10/15 PRS Report.

- ***NPRR721, Removal of Language Related to NPRR455, CRR Shift Factors Report [Luminant]***

Revision Description: This NPRR removes the grey-box for NPRR455, which requires the posting of a report of Shift Factors for binding constraints in a Congestion Revenue Right (CRR) Auction.

Proposed Effective Date: November 1, 2015

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 NPRR721 and is open to working with Market Participants on cost-effective alternatives to NPRR455.

TAC Decision: On 9/24/15, TAC unanimously voted to recommend approval of NPRR721 as recommended by PRS in the 9/10/15 PRS Report.

- ***NPRR722, Removal of Language Related to NPRR181, FIP Definition Revision [Luminant]***

Revision Description: This NPRR eliminates revisions to the definition of “Fuel Index Price” and eliminates the introduction of the new defined term “Gas Day” introduced by NPRR181. These definition revisions remain unimplemented since Nodal Market go-live.

Proposed Effective Date: November 1, 2015

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 NPRR722 as the implementation of NPRR181 is not cost-effective at this time; and subsequent Protocol language changes have reduced the misalignment of the calculation of Fuel Index Price (FIP) with the Gas Day.

TAC Decision: On 9/24/15, TAC unanimously voted to recommend approval of NPRR722 as recommended by PRS in the 9/10/15 PRS Report.

- ***NPRR723, Removal of grey-boxes from NPRR256, Add Non-Compliance Language to QSE Performance Standards [Luminant]***

Revision Description: This NPRR eliminates portions of NPRR256, including non-compliance language related to QSE performance standards which remain unimplemented since Nodal Market go-live.

Proposed Effective Date: November 1, 2015

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 NPRR723, as the remaining revisions proposed by NPRR256 to Generation Resource Energy Deployment Performance (GREDP) calculations are no longer necessary, and the current Protocol language suffices.

TAC Decision: On 9/24/15, TAC unanimously voted to recommend approval of NPRR723 as recommended by PRS in the 9/10/15 PRS Report.

- ***NPRR724, Removal of Language Related to NPRR493, Half-Hour RUC Clawback [GDF Suez]***

Revision Description: This NPRR removes the grey-boxes for NPRR493, which define the term “Half-Hour Start Unit” and detail the Reliability Unit Commitment (RUC) Clawback treatment of such units.

Proposed Effective Date: November 1, 2015

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 NPRR724 as distinguishing “Half-Hour Start Units” in determination of the RUC Clawback Charge is no longer considered cost-effective.

TAC Decision: On 9/24/15, TAC unanimously voted to recommend approval of NPRR724 as recommended by PRS in the 9/10/15 PRS Report.

- ***RRGRR006, Clarification of Descriptions and Alignment with Resource Asset Registration Forms [Resource Data Working Group (RDWG)]***

Revision Description: This Resource Registration Glossary Revision Request (RRGRR) clarifies the description of data requested in the RARF.

Proposed Effective Date: Upon system implementation - Priority 2015; Rank 1230

ERCOT Impact Analysis: Between \$15k and \$20k; no impacts to ERCOT staffing; impacts to RARF; no impact to ERCOT business processes; no impacts to ERCOT grid operations and practices.

ERCOT Opinion: ERCOT supports approval of RRGRR006 as it further clarifies RARF requirements.

TAC Decision: On 8/27/15, TAC unanimously voted to recommend approval of RRGRR006 as recommended by ROS in the 8/27/15 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/2015/10/13/31858-BOARD>

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/issues/rrgrr>

Key Factors Influencing Issue:

The PRS met, discussed the issues, and submitted reports to TAC regarding NPRRs 663, 704, 717, 718, 721, 722, 723, and 724.

The ROS met, discussed the issues, and submitted a report to TAC regarding RRGRR006.

TAC considered the issues and voted to take action on regarding NPRRs 663, 704, 717, 718, 721, 722, 723, 724, and RRGRR006.

Conclusion/Recommendation:

As more specifically described above, TAC recommends that the ERCOT Board approve NPRRs 663, 704, 717, 718, 721, 722, 723, 724, and RRGRR006.

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 Nodal Protocol Revision Requests (NPRRs) and Resource Registration Glossary Revision Request (RRGRR):

- NPRR663, Ancillary Service Insufficiency Actions;
- NPRR704, Revisions to the Size of Aggregate Generation Resources;
- NPRR717, Clarification of EPS Metering Exception for ERS Generation;
- NPRR718, Correct Requirement for Posting AML Data;
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- RRGRR006, Clarification of Descriptions and Alignment with Resource Asset Registration Forms

THEREFORE be it RESOLVED, that the ERCOT Board hereby approves NPRRs 663, 704, 717, 718, 721, 722, 723, 724, and RRGRR006.

CORPORATE SECRETARY'S CERTIFICATE

I, Vickie G. Leady, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its October 13, 2015 meeting, the ERCOT Board passed a motion approving the above Resolution by _____.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of October 2015.

Vickie G. Leady
Assistant Corporate Secretary