

Item 7: Ancillary Services Responsive Reserve Update

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Board of Directors Meeting ERCOT Public October 13, 2015

Items for Discussion

- 1. Overview
- 2. Impact
- 3. Root Cause
- 4. Corrective Actions



Overview

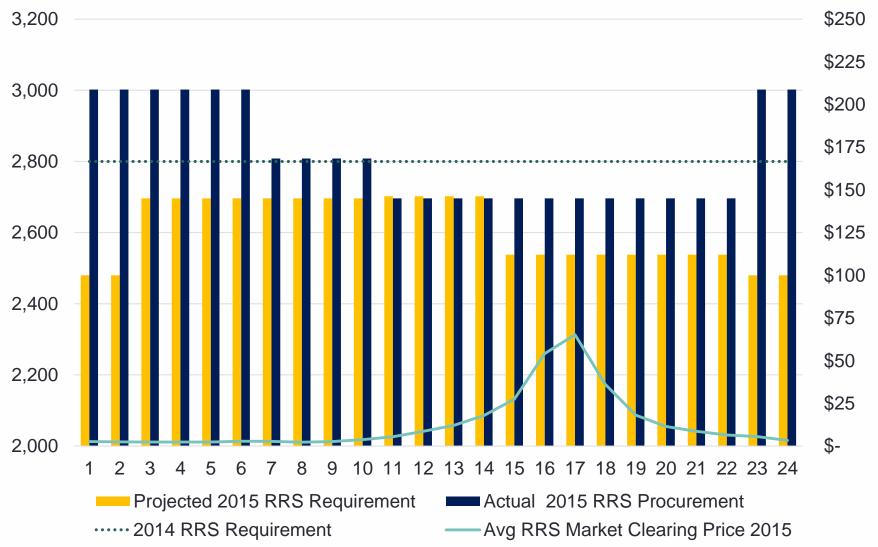
The amount of Responsive Reserves ERCOT procured for some hours of July and August 2015 were different from the published amounts noted in the document "ERCOT Monthly Responsive Reserve Requirements beginning June 1, 2015."

- In July, amounts procured for most hours exceeded the monthly published requirement (all hours except HE 11-14).
- For August 1-17, amounts procured for one operating hour (HE 22) were less than the monthly published requirement.

ERCOT has analyzed reliability impacts of these procurements and determined that at no time was reliability of the ERCOT System affected.

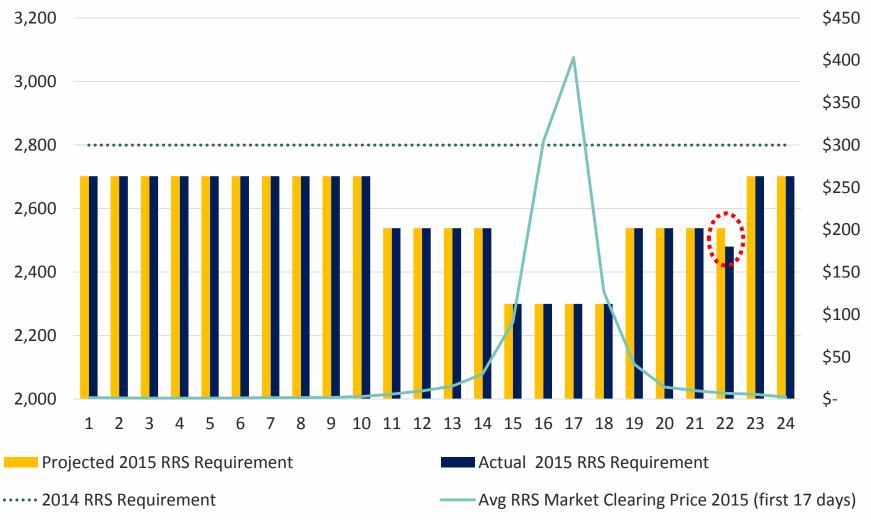


Impact-July 2015 RRS



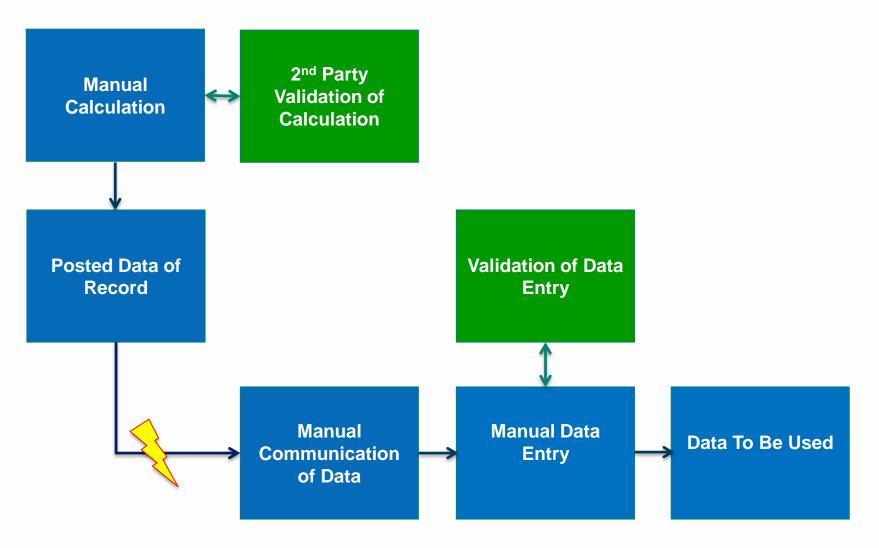


Impact-August 2015 RRS





Root Cause - Process Level View





Corrective Actions

Notification:

- Market Notice on August 19, 2015
- TAC discussion August 27, 2015

Staff Training:

- Reviewed and discussed the error with all Operations, Planning, and Market Departments.
- Began a series of meetings to raise awareness and review existing processes to eliminate similar gaps.

Mitigation Actions:

- Added second and third party verification for the manual communication of data in the short term.
- Designed a system change to minimize manual communication and entry of data. (to be implemented in a future release)