



Item 9: TAC Report

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2015 TAC Chair

Board of Directors Meeting
ERCOT Public
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Summary of TAC Update

Revision Requests Recommended for Approval by TAC – Unopposed (Vote):

- NPRR663, Ancillary Service Insufficiency Actions (effective upon system implementation of NPRR689, Settlement of Ancillary Service Assignment in Real-Time Operations)
- 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
- RRGR006, Clarification of Descriptions and Alignment with Resource Asset Registration Forms

Summary of TAC Update – Regular Agenda Items

Revision Requests Recommended for Approval by TAC – With Opposing Votes (Vote):

- NPRR689, Settlement of Ancillary Service Assignment in Real-Time Operations
- NPRR714, Real-Time Make-Whole Payment for Exceptional Fuel

August/September TAC Highlights

- Implementation of Revision Requests via ERCOT Manual Processes
- Revisions to TAC Procedures
- Monthly Responsive Reserve (RRS) requirements in July and August 2015
- AESPC Live Oak Regional Planning Group Project

Summary of TAC Update – Regular Agenda Items

Guide Revisions Approved by TAC

- 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
- RMGRR129, Revision to Customer Rescission Completion Timeline
- RMGRR131, Guidelines for Notification of Invoice Dispute
- LPGRR056, Initial Profile Assignment for Temporary Services
- COPMGRR039, Commercial Operations Market Guide Clean-up of Old Invoices

Revision Requests with Opposing Votes (VOTE)

NPRR663, Ancillary Service Insufficiency Actions (Unopposed - Associated with NPRR689)

Purpose (ERCOT)	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).
TAC Vote	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).
ERCOT Opinion	ERCOT supports approval of NPRR663.
Effective Date/Priority	Upon System Implementation of NPRR689, Settlement of Ancillary Service Assignment in Real-Time Operations.
ERCOT Impact	ERCOT business processes will be updated.
Business Case	By identifying the actions ERCOT will take with more specificity, QSEs will be better able to evaluate and hedge their risks.

NPRR689, Settlement of Ancillary Service Assignment in Real-Time Operations

Purpose (QMWG)	This Nodal Protocol Revision Request (NPRR) provides a Settlement mechanism for NPRR663, Ancillary Service Insufficiency Actions, by addressing the Settlement of Ancillary Services assigned during Real-Time Operations.
TAC Vote	On 9/24/15, TAC voted via roll call vote to recommend approval of NPRR689 as recommended by PRS in the 9/10/15 PRS Report. There were six opposing votes from the Consumer Market Segment (OPUC, City of Lewisville, City of Eastland, CMC Steel Texas, Air Liquide, and Residential Consumer).
ERCOT Opinion	ERCOT supports approval of NPRR689 as it aligns Settlement processes for Ancillary Service assignments in Real-Time proposed by NPRR663.
Effective Date/Priority	Upon System Implementation.
ERCOT Impact	Less than \$10k (O&M); impacts to Settlements and Billing (S&B), Registration System (REG), and Market Information System (MIS); ERCOT business processes will be updated; ERCOT grid operations and practices will be updated.
Business Case	This NPRR provides a Settlement mechanism when ERCOT makes Ancillary Service assignments during Real-Time operations.

NPRR714, Real-Time Make-Whole Payment for Exceptional Fuel Cost

Purpose (GDF Suez)	This NPRR restores the manual process for Real-Time Make-Whole Payments and Charges to address exceptional fuel cost events; and includes revisions that clarify and improve the Settlement calculations for the manual process consistent with the intent of NPRR664, Fuel Index Price for Resource Definition and Real-Time Make-Whole Payments for Exceptional Fuel Cost Events.
TAC Vote	On 9/24/15, TAC voted via roll call vote to recommend approval of NPRR714 as recommended by PRS in the 9/10/15 PRS Report with a sunset date of June 1, 2017. There was one opposing vote from the Independent Retail Electric Provider (IREP) Market Segment (Direct Energy) and six abstentions from the IREP (3) (Source Power and Gas, Just Energy, and Champion Energy Services), Investor Owned Utility (1) (CenterPoint Energy) and Consumer (2) (CMC Steel Texas and Air Liquide) Market Segments.
ERCOT Opinion	ERCOT supports approval of NPRR714 as it provides a methodology for addressing exceptional fuel cost events.
Effective Date/Priority	November 1, 2015 (manual) until June 1, 2017 - Priority 2015; Rank 1370 (partial automation)
ERCOT Impact	Between \$60k and \$70k; impacts to S&B; ERCOT business processes will be updated.
Business Case	This NPRR will allow Resources to file for a Real-Time Make-Whole Payment when mitigated to below its actual cost due to spikes in gas prices.

August / September TAC Highlights

Implementation of Revision Requests via ERCOT Manual Processes.

On 8/27/15, TAC discussed an issue raised by the Protocol Revision Subcommittee (PRS) regarding the risks/cost-benefit of the automated implementation vs. manual implementation of Revision Requests. TAC and PRS continue to discuss project implementation benchmarking to determine the appropriateness of implementing Revision Requests with a manual solution vs. automated solution.

TAC Procedures.

On 8/27/15, TAC unanimously voted to approve revisions to the TAC Procedures to clarify the Working Group/Task Force Chair and Vice Chair leadership election process. On 9/24/15, TAC unanimously voted to approve administrative revisions to the TAC Procedures.

Monthly Responsive Reserve (RRS) Requirements in July and August 2015.

On 8/27/15, ERCOT Staff reviewed with TAC the discrepancy in the Responsive Reserve requirements in July and August and the potential impacts. Concerns were raised regarding the manual processes in place which contributed to the errors. TAC requested that ERCOT report back after review of its internal processes.

AESPC Live Oak Regional Planning Group Project.

On 9/24/15, TAC voted to endorse the AESPC Live Oak RPG Project as presented by ERCOT. There were two abstentions from the Independent Generator Market Segment.

Notice of Guide Revision Approved by TAC

- **VCMRR007, Alignment with NPRR699, Energy Offer Curve Caps for Make-Whole Calculations for Resource Type Other.** This Verifiable Cost Manual Revision Request (VCMRR) removes from the Verifiable Cost Manual, references to the cap for Energy Storage Resources as this would be inconsistent with the provision added to Protocols by NPRR699.
- **VCMRR008, Alignment with NPRR700, Utilizing Actual Fuel Cost in Startup Offer Caps.** This VCMRR aligns the Verifiable Cost Manual with the provisions added to Protocols by NPRR700 to incorporate actual fuel costs into the Day-Ahead Market (DAM) and Reliability Unit Commitment (RUC) procurement process and DAM Make-Whole Payment calculations.
- **RMGRR129, Revision to Customer Rescission Completion Timeline.** This Retail Market Guide Revision Request (RMGRR) provides additional guidelines regarding specific timing and responsibilities for a Competitive Retailer (CR) to complete a Customer Rescission MarkeTrak issue after completion of a Switch Request.

Notice of Guide Revision Approved by TAC

- **RMGRR131, Guidelines for Notification of Invoice Dispute.** This RMGRR aligns the Retail Market Guide with current market practices.
- **LPGRR056, Initial Profile Assignment for Temporary Services.** This Load Profiling Revision Request (LPGRR) aligns the Load Profiling Guide with the current process Transmission and/or Distribution Service Providers (TDSPs) invoke when assigning initial Load Profiles for temporary services.
- **COPMGRR039, Commercial Operations Market Guide Clean-up of Old Invoices.** This Commercial Operations Market Guide Revision Request (COPMGRR) removes old invoices in the Commercial Operations Market Guide to align with the previously approved and implemented NPRR347, Single Daily Settlement Invoice and Updates to Credit Calculations, including addition of a Minimum Collateral Exposure Component, and NPRR610, Eliminate Late Fees and Late Fee Invoices.