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| NPRR Number | [763](http://www.ercot.com/mktrules/issues/NPRR763) | NPRR Title | As-Built Clarification to NPRR553, Monthly BLT Payment and Charge for Presidio Exception |
| Date Posted | March 24, 2016 |
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| Requested Resolution  | Normal  |
| Nodal Protocol Sections Requiring Revision  | 6.6.3.5 Real-Time Payment for a Block Load Transfer Point |
| Related Documents Requiring Revision/Related Revision Requests | None |
| Revision Description | This Nodal Protocol Revision Request (NPRR) corrects the formula for the calculation of the Load-Allocated Monthly BLT Amount per QSE *(*LAMBLTAMT) in paragraph (3)(c) of Section 6.6.3.5 to reflect a charge, rather than a payment, to comport with the facial intent of NPRR553, Monthly BLT Payment and Charge for Presidio Exception, and with the system implementation of that charge. The title of NPRR553 references a charge (in addition to a payment) and the language preceding the formula expresses an intention to impose a charge. For these reasons, ERCOT believes that the omission of the required “-1” at the beginning of the formula was inadvertent and should be corrected. |
| Reason for Revision |  Addresses current operational issues. Meets Strategic goals (tied to the [ERCOT Strategic Plan](http://www.ercot.com/content/news/presentations/2013/ERCOT%20Strat%20Plan%20FINAL%20112213.pdf) or directed by the ERCOT Board). Market efficiencies or enhancements Administrative Regulatory requirements Other: (explain) Aligns Protocol language with as-built systems*(please select all that apply)* |
| Business Case | This NPRR aligns Protocol language with the intent of NPRR553. |

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| Market Segment | Not applicable |

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| Proposed Protocol Language Revision |

6.6.3.5 Real-Time Payment for a Block Load Transfer Point

(1) ERCOT shall pay each QSE for the energy delivered to an ERCOT Load through a Block Load Transfer (BLT) Point that is moved in response to an ERCOT Verbal Dispatch Instruction (VDI) during a declared Emergency Condition, from the ERCOT Control Area to a non-ERCOT Control Area. The payment for a given 15-minute Settlement Interval is calculated as follows:

BLTRAMT *q, bltp, p* = (-1) \* MAX {RTSPPEW *p*, (VEEPBLTP *q, bltp*) *\** CABLT} \* BLTR *q, p, bltp*

The above variables are defined as follows:

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| --- | --- | --- |
| Variable | Unit | Definition |
| BLTRAMT *q, bltp, p* | $ | *Block Load Transfer Resource Amount per QSE per Settlement Point per BLT Point*⎯The payment to QSE *q* for the BLT Resource that delivers energy to Load Zone *p* through BLT Point *bltp*, for the 15-minute Settlement Interval. |
| RTSPPEW *p* | $/MWh | *Real-Time Settlement Point Price per Settlement Point Energy-Weighted*⎯The Real-Time Settlement Point Price at Settlement Point *p*, for the 15-minute Settlement Interval, that is weighted by the state estimated Load of the Load Zone of each SCED interval within the 15-minute Settlement Internal. |
| VEEPBLTP *q, bltp* | $/MWh | *Verified Emergency Energy Price at BLT Point*⎯The ERCOT verified cost for the energy delivered to an ERCOT Load through BLT Point *bltp* during a declared Emergency Condition in ERCOT as determined by an ERCOT VDI. |
| CABLT | # | *Cost Adder for Block Load Transfer*⎯A multiplier of 1.10. |
| BLTR *q, p, bltp* | MWh | *Block Load Transfer Resource per QSE per Settlement Point per BLT Point*⎯The energy delivered to an ERCOT Load in Load Zone *p* through BLT Point *bltp* represented by QSE *q*, for the 15-minute Settlement Interval.  |
| *q* | none | A QSE. |
| *p* | none | A Load Zone Settlement Point. |
| *bltp* | none | A BLT Point. |

(2) The total of the payments to each QSE for all energy delivered to ERCOT Loads through BLT Points for the 15-minute Settlement Interval is calculated as follows:

BLTRAMTQSETOT *q* = BLTRAMT *q, bltp, p*

The above variables are defined as follows:

|  |  |  |
| --- | --- | --- |
| Variable | Unit | Definition |
| BLTRAMTQSETOT *q* | $ | *Block Load Transfer Resource Amount QSE Total per QSE*⎯The total of the payments to QSE *q* for energy delivered into the ERCOT System through BLT Points for the 15-minute Settlement Interval. |
| BLTRAMT *q, bltp , p* | $ | *Block Load Transfer Resource Amount per QSE per Settlement Point per BLT Point*—The payment to QSE *q* for the BLT Resource at BLT Point *bltp*, which delivers energy to Load Zone *p*, for the 15-minute Settlement Interval. |
| *q* | none | A QSE. |
| *p* | none | A Load Zone Settlement Point. |
| *bltp* | none | A BLT Point. |

(3) For the purpose of Settlement, ERCOT shall treat the energy associated with the Presidio Exception like energy delivered to an ERCOT Load through a BLT Point that is moved from the ERCOT Control Area to a non-ERCOT Control Area in response to a VDI during a declared Emergency Condition, by allowing for compensation of verified costs associated with the energy. After receipt and verification of the invoiced cost associated with the Presidio Exception, ERCOT shall compensate for the energy associated with the Presidio Exception using the monthly verified cost multiplied by the Cost Adder for Block Load Transfer defined in paragraph (1) above. ERCOT shall uplift the cost to QSEs representing Load using the monthly LRS per QSE as defined in Section 7.5.7, Method for Distributing CRR Auction Revenues. Costs associated with the Presidio Exception must be submitted to ERCOT within 90 days of the last day of the month that the costs were incurred.

(a) The monthly payment to be calculated as follows:

 **MBLTAMT *q, p* = (-1) \* VMEBLTP *q, p*  *\** CABLT**

The above variables are defined as follows:

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| --- | --- | --- |
| **Variable** | **Unit** | **Definition** |
| MBLTAMT *q, p* | $ | *Monthly Block Load Transfer Amount per QSE per Settlement Point*⎯The payment to QSE *q* for the delivered energy to Load Zone *p* for the month. |
| VMEBLTP *q, p* | $/MWh | *Verified Monthly Energy Cost*⎯The ERCOT verified monthly cost for the energy delivered to an ERCOT Load as determined by an invoice submitted to ERCOT. |
| CABLT | # | *Cost Adder for Block Load Transfer*⎯A multiplier of 1.10. |
| *q* | none | A QSE. |
| *p* | none | A Load Zone Settlement Point. |

(b) The total of the payments to each QSE for all energy delivered to ERCOT Loads through BLT Points for the 15-minute Settlement Interval is calculated as follows:

 **MBLTAMTQSETOT *q* =  MBLTAMT *q, p***

The above variables are defined as follows:

|  |  |  |
| --- | --- | --- |
| **Variable** | **Unit** | **Definition** |
| MBLTAMTQSETOT *q* | $ | *Monthly Block Load Transfer Amount QSE Total per QSE*⎯The total of the payments to QSE *q* for energy delivered into the ERCOT System for the month. |
| MBLTAMT *q, p* | $ | *Monthly Block Load Transfer Amount per QSE per Settlement Point*⎯The payment to QSE *q* for the delivered energy to Load Zone *p* for the month. |
| *q* | none | A QSE. |
| *p* | none | A Load Zone Settlement Point. |

(c) ERCOT shall calculate each QSE’s monthly BLT charge as follows:

 **LAMBLTAMT *q* = (-1) \* MLRS *q*\* MBLTAMTTOT**

 **MBLTAMTTOT =  MBLTAMTQSETOT *q***

The above variables are defined as follows:

|  |  |  |
| --- | --- | --- |
| Variable | Unit | Description |
| MLRS *q* | none | *Monthly Load Ratio Share per QSE*—The LRS calculated for QSE *q* for the peak-Load 15-minute Settlement Interval in the month. See Section 6.6.2.2, QSE Load Ratio Share for a 15-Minute Settlement Interval. |
| MBLTAMTQSETOT *q* | $ | *Monthly Block Load Transfer Amount QSE Total per QSE*⎯The total of the payments to QSE *q* for energy delivered into the ERCOT System for the month. |
| LAMBLTAMT *q* | $ | *Load-Allocated Monthly BLT Amount* *per QSE*—Monthly BLT charge for QSE *q*. |
| MBLTAMTTOT  | $ | *Monthly BLT Amount ERCOT wide Total*—The total monthly BLT charge for all QSEs. |
| *q* | none | A QSE. |

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