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| NPRR Number | [779](http://www.ercot.com/mktrules/issues/NPRR779) | NPRR Title | Clarifies References to Texas Reliability Entity and Independent Market Monitor |
| Date Posted | | May 27, 2016 | |
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| Requested Resolution | | Normal | |
| Nodal Protocol Sections Requiring Revision | | 2.1, Definitions  8.1.1.3, Ancillary Service Capacity Compliance Criteria  8.1.1.4, Ancillary Service and Energy Deployment Compliance Criteria  8.1.1.4.2, Responsive Reserve Service Energy Deployment Criteria  8.1.1.4.3, Non-Spinning Reserve Service Energy Deployment Criteria  21.1, Introduction  21.2, Submission of a Nodal Protocol Revision Request or System Change Request  21.3, Protocol Revision Subcommittee  21.4.4, Protocol Revision Subcommittee Review and Action  21.4.5, Comments to the Protocol Revision Subcommittee Report  21.4.11.1, Appeal of Protocol Revision Subcommittee Action  21.4.11.2, Appeal of Technical Advisory Committee Action  21.4.11.3, Appeal of ERCOT Board Action | |
| Related Documents Requiring Revision/Related Revision Requests | | Nodal Operating Guide Revision Request (NOGRR) 159, Alignment with NPRR779, Clarifies References to Texas Reliability Entity and Independent Market Monitor  Planning Guide Revision Request (PGRR) 048, Alignment with NPRR779, Clarifies References to Texas Reliability Entity and Independent Market Monitor | |
| Revision Description | | This Nodal Protocol Revision Request (NPRR) clarifies references to the Texas Reliability Entity (Texas RE) and the Independent Market Monitor (IMM). The Nodal Protocols currently refer to the Texas Reliability Entity in both its capacity as the North American Electric Reliability Corporation (NERC) Regional Entity and the Public Utility Commission of Texas (PUCT) Reliability Monitor, a new term recently added to P.U.C Subst. R. § 25.503, Oversight of Wholesale Market Participants.  This NPRR modifies uses of the term “Texas Reliability Entity” to more accurately reflect distinct references to the NERC Regional Entity and the PUCT Reliability Monitor, and introduces the defined term “Reliability Monitor” per P.U.C Subst. R. § 25.503.  This NPRR also removes the 24-hour deadline by which ERCOT must notify the Reliability Monitor of a failure to provide Ancillary Services, and clarifies that the IMM is an included party in several provisions related to the ERCOT stakeholder process. | |
| 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)  *(please select all that apply)* | |
| Business Case | | This NPRR aligns the ERCOT Nodal Protocols with current regulatory requirements. | |

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| Market Segment | Not applicable |

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| Proposed Protocol Language Revision |

## 2.1 DEFINITIONS

NERC Regional Entity

An Entity with delegated authority from NERC and approved by FERC to propose and enforce NERC Reliability Standards in the ERCOT Region.

Reliability Monitor

An Entity selected by the Public Utility Commission of Texas to monitor compliance with all state reliability-related laws, rules, and ERCOT procedures, including Protocols, processes, and any other operating standards applicable to the ERCOT Region.

**8.1.1.3 Ancillary Service Capacity Compliance Criteria**

(1) ERCOT shall provide each QSE representing Resources a capacity summary containing as a minimum the same general information required in Section 6.5.7.5, Ancillary Services Capacity Monitor, except specific to only the QSE. The summary shall be updated with calculations every ten seconds by ERCOT and then provided to the QSE every five minutes using the MIS Certified Area.

(2) ERCOT shall continuously measure the overall performance of each QSE in providing each Ancillary Service by comparing the sum of each of the QSE’s Resources’ telemetered Ancillary Services Resource Responsibility with the QSE’s total Ancillary Service responsibility. If the comparison indicates the QSE is not providing sufficient capacity to meet its Ancillary Services responsibility, ERCOT shall notify the QSE via the MIS Certified Area.

(3) The QSE, within ten minutes of receiving the insufficient capacity notification from ERCOT, the QSE must:

(a) If due to a telemetry issue, correct the telemetered Ancillary Services Resource Responsibility to provide sufficient capacity; or

(b) Must provide both appropriate justification for not satisfying their Ancillary Service Obligation and a plan to correct the shortfall that is acceptable with the ERCOT operator. ERCOT shall report non-compliance of Ancillary Service capacity requirements to the Reliability Monitor for review.

**8.1.1.4 Ancillary Service and Energy Deployment Compliance Criteria**

(1) ERCOT shall measure the performance of each Resource in providing Ancillary Services and energy in response to Dispatch Instructions according to the requirements in the sections below. Failure to meet these requirements will be reported to the Reliability Monitor as non-compliance.

8.1.1.4.2 Responsive Reserve Service Energy Deployment Criteria

(1) Each QSE providing RRS shall so indicate by appropriate entries in the Resource’s Ancillary Service Schedule and the Ancillary Service Resource Responsibility providing that service. ERCOT shall adjust the Generation Resource’s Base Point for any requested RRS energy in the next cycle of SCED as specified in Section 6.5.7.6.2.2, Deployment of Responsive Reserve Service. For Controllable Load Resources, the QSE shall control its Resources to operate to the Resource’s Scheduled Power Consumption minus any Ancillary Service deployments. Control performance during periods in which ERCOT has deployed RRS shall be based on the requirements below and failure to meet any one of these requirements shall be reported to the Reliability Monitor as non-compliance:

(a) Within one minute following a deployment instruction, the QSE must update the telemetered Ancillary Service Schedule for RRS for Generation Resources and Load Resources to reflect the deployment amount. The difference between the sum of the QSE’s Resource RRS schedules and the sum of the QSE’s Resource RRS responsibilities must be equal to the QSE’s total RRS deployment instruction, excluding the deployment to Load Resources which are not Controllable Load Resources.

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| [NPRR691: Insert paragraphs (b) and (c) below upon system implementation of NOGRR143 and renumber accordingly:]  (b) A QSE providing RRS must reserve sufficient frequency responsive capacity on each Generation Resource with a RRS responsibility to supply the full amount of RRS scheduled for that Generation Resource. The QSE shall not use NFRC, such as power augmentation capacity on a Generation Resource, to provide RRS.  (c) ERCOT shall evaluate the Primary Frequency Response of all RRS providers as calculated in Nodal Operating Guide Section 8, Attachment J, Initial and Sustained Measurements for Primary Frequency Response. |

(b) For QSEs with Load Resources, excluding Controllable Load Resources, ten minutes following deployment instruction the sum of the QSE’s Load Resource response shall not be less than 95% of the requested MW deployment, nor more than 150% of the lesser of the following:

(i) The QSE’s Responsibility for RRS from non-Controllable Load Resources; or

(ii) The requested MW deployment.

The QSE’s portfolio shall maintain this response until recalled or the Resource’s obligation to provide RRS expires. The combination of the QSE’s RRS responsibility and additional available capacity shall not exceed 150% of the sum of the QSE’s Ancillary Service Resource Responsibility for RRS from non-Controllable Load Resources. Any additional available capacity from Load Resources other than Controllable Load Resources shall be deployed concurrently with RRS Service.

(c) For Load Resources, excluding Controllable Load Resources, associated with a QSE that does not successfully deploy as defined under this Section, ERCOT shall evaluate, identify and investigate each Load Resource that contributed to such failure, in order to determine failure under paragraph (9) of Section 8.1.1.1, Ancillary Service Qualification and Testing.

(d) A Load Resource providing RRS excluding Controllable Load Resources must return to at least 95% of its Ancillary Service Resource Responsibility for RRS within three hours following a recall instruction unless replaced by another Resource as described below. However, the Load Resource should attempt to return to at least 95% of its Ancillary Service Resource Responsibility for RRS as soon as practical considering process constraints. For a Load Resource that is not a Controllable Load Resource that is unable to return to its Ancillary Service Resource Responsibility within three hours of recall instruction, its QSE may replace the quantity of deficient RRS capacity within that same three hours using other Generation Resources or other Load Resources not previously committed to provide RRS.

(e) During periods when the Load level of a Load Resource (excluding Controllable Load Resources) has been affected by a Dispatch Instruction from ERCOT, the performance of a Load Resource in response to a Dispatch Instruction must be determined by subtracting the Load Resource’s actual Load response from its Baseline. “Baseline” capacity is calculated by measuring the average of the real power consumption for five minutes before the Dispatch Instruction if the Load level of a Load Resource had not been affected by a Dispatch Instruction from ERCOT. The actual Load response is the average of the real power consumption data being telemetered to ERCOT during the Settlement Interval indicated in the Dispatch Instruction.

(2) For all Measurable Events, ERCOT shall use the recorded data for each two-second scan rate value of real power output for each Generation Resource, Controllable Load Resource. ERCOT shall use the recorded MW data beginning one minute before the start of the frequency excursion event until ten minutes after the start of the frequency excursion event. Satisfactory performance must be measured by comparing actual Primary Frequency Response to the expected Primary Frequency Response as required in the Operating Guides.

(3) ERCOT shall monitor the Primary Frequency Response that is delivered during Measurable Events of Generation Resources and Controllable Load Resources, relay response for Loads and hydro RRS at the frequency specified in paragraph (3)(b) of Section 3.18, Resource Limits in Providing Ancillary Service. Primary Frequency Response performance must be analyzed by TAC and a performance metric must be provided in the Operating Guides.

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| [NPRR691: Replace paragraphs (2) and (3) above with the following upon system implementation of NOGRR143:]  (2) For all Frequency Measurable Events (FMEs), ERCOT shall use the recorded data for each two-second scan rate value of real power output for each All-Inclusive Generation Resource, and Controllable Load Resource. ERCOT shall use the recorded MW data beginning one minute before the start of the frequency excursion event until ten minutes after the start of the frequency excursion event. Satisfactory performance must be measured by comparing actual Primary Frequency Response to the expected Primary Frequency Response as required in the Operating Guides.  (3) ERCOT shall monitor the Primary Frequency Response that is delivered during FMEs of All-Inclusive Generation Resources and Controllable Load Resources using the methodology specified in the Operating Guides. ERCOT shall monitor the Primary Frequency Response that is delivered during FMEs of Controllable Load Resources, relay response for Loads and hydro RRS at the frequency specified in paragraph (3)(b) of Section 3.18, Resource Limits in Providing Ancillary Service. |

8.1.1.4.3 Non-Spinning Reserve Service Energy Deployment Criteria

(1) ERCOT shall, as part of its Ancillary Service deployment procedure under Section 6.5.7.6.2.3, Non-Spinning Reserve Service Deployment, include all performance metrics for a Resource receiving a Non-Spin recall instruction from ERCOT.

(2) A Non-Spin Dispatch Instruction from ERCOT must respect the minimum runtime of a Generation Resource. After the recall of a Non-Spin Dispatch Instruction, any Generation Resource previously Off-Line providing Non-Spin is allowed to remain On-Line for 30 minutes following the recall. During that time period, the On-Line Generation Resource is treated as if the Non-Spin is being provided.

(3) Control performance during periods in which ERCOT has deployed Non-Spin shall be based on the requirements below and failure to meet any one of these requirements for the greater of one or 5% of Non-Spin deployments during a month shall be reported to the Reliability Monitor as non-compliance:

(a) Within 20 minutes following a deployment instruction, the QSE must update the telemetered Ancillary Service Schedule for Non-Spin for Generation Resources and Controllable Load Resources to reflect the deployment amount.

(b) Off-Line Generation Resources, within 25 minutes following a deployment instruction, must be On-Line with an Energy Offer Curve and the telemetered net generation must be greater than or equal to the Resource’s telemetered LSL multiplied by P1 where P1 is defined in the “ERCOT and QSE Operations Business Practices During the Operating Hour.” The Resource Status that must be telemetered indicating that the Resource has come On-Line with an Energy Offer Curve is ON as described in paragraph (5)(b)(i) of Section 3.9.1, Current Operating Plan (COP) Criteria.

(c) If an Off-Line Generation Resource experiences a Startup Loading Failure (excluding those caused by operator error), the Resource may be considered for exclusion from performance non-compliance if the QSE provides to ERCOT the following documentation regarding the incident:

(i) Its generation log documenting the Startup Loading Failure; and

(ii) Equipment failure documentation such as, but not limited to, GADS reports, plant operator logs, work orders, or other applicable information.

(d) Controllable Load Resources must be available to SCED, and within 25 minutes following a deployment instruction must have a Real-Time Market (RTM) Energy Bid and the telemetered net real power consumption must be greater than or equal to the Resource’s telemetered LPC.

21.1 Introduction

(1) A request to make additions, edits, deletions, revisions, or clarifications to these Protocols, including any attachments and exhibits to these Protocols, is called a Nodal Protocol Revision Request (NPRR). Except as specifically provided otherwise in the following sentence or in other sections of these Protocols, Sections 21.2, Submission of a Nodal Protocol Revision Request or System Change Request, through 21.8, Review of Guide Changes, apply to all NPRRs. ERCOT Members, Market Participants, Public Utility Commission of Texas (PUCT) Staff, the Reliability Monitor, the Independent Market Monitor (IMM), the NERC Regional Entity, ERCOT, and any other Entities are required to utilize the process described herein prior to requesting, through the PUCT or other Governmental Authority, that ERCOT make a change to these Protocols, except for good cause shown to the PUCT or other Governmental Authority.

(2) A request that ERCOT change its computer systems that does not require a revision to the Protocols is called a System Change Request (SCR). Except as specifically provided in other sections of these Protocols, Sections 21.2 through 21.7, Review of Project Prioritization and Annual Budget Process, apply to all SCRs.

(3) The “next regularly scheduled meeting” of the Protocol Revision Subcommittee (PRS), the Technical Advisory Committee (TAC), an Assigned TAC Subcommittee (as defined below), or the ERCOT Board shall mean the next regularly scheduled meeting for which required notice can be timely given regarding the item(s) to be addressed, as specified in the appropriate ERCOT Board or committee procedures.

(4) ERCOT may make non-substantive corrections at any time during the processing of a particular NPRR. Under certain circumstances, however, the Nodal Protocols can also be revised by ERCOT rather than using the NPRR process outlined in Section 21.4, Nodal Protocol Revision and System Change Procedure.

(a) This type of revision is referred to as an “Administrative NPRR” or “Administrative Changes” and shall consist of non-substantive corrections, such as typos (excluding grammatical changes), internal references (including table of contents), improper use of acronyms, and references to ERCOT Protocols, PUCT Substantive Rules, the Public Utility Regulatory Act (PURA), North American Electric Reliability Corporation (NERC) regulations, Federal Energy Regulatory Commission (FERC) rules, etc.

(b) ERCOT shall post such Administrative NPRRs to the ERCOT website and distribute the NPRR to PRS at least ten Business Days before implementation. If no Entity submits comments to the Administrative NPRR in accordance with paragraph (1) of Section 21.4.4, Protocol Revision Subcommittee Review and Action, ERCOT shall implement it according to paragraph (4) of Section 21.6, Nodal Protocol Revision Implementation. If any ERCOT Member, Market Participant, PUCT Staff, Reliability Monitor Staff, NERC Regional Entity Staff, the IMM, or ERCOT submits comments to the Administrative NPRR, then it shall be processed in accordance with the NPRR process outlined in Section 21.4.

21.2 Submission of a Nodal Protocol Revision Request or System Change Request

(1) The following Entities may submit a Nodal Protocol Revision Request (NPRR) or System Change Request (SCR) (“Revision Request”):

(a) Any Market Participant;

(b) Any ERCOT Member;

(c) PUCT Staff;

(d) The Reliability Monitor;

(e) The NERC Regional Entity;

(f) The IMM;

(g) ERCOT; and

(h) Any other Entity that meets the following qualifications:

(i) Resides (or represents residents) in Texas or operates in the Texas electricity market; and

(ii) Demonstrates that Entity (or those it represents) is affected by the Customer Registration or Renewable Energy Credit (REC) Trading Program sections of these Protocols.

21.3 Protocol Revision Subcommittee

(1) The Protocol Revision Subcommittee (PRS) shall review and recommend action on formally submitted Nodal Protocol Revision Requests (NPRRs) and System Change Requests (SCRs) (“Revision Requests”) provided that:

(a) PRS meetings are open to ERCOT, ERCOT Members, Market Participants, the Reliability Monitor, the NERC Regional Entity, the Independent Market Monitor (IMM), and the Public Utility Commission of Texas (PUCT) Staff;

(b) Each Market Segment is allowed to participate; and

(c) Each Market Segment has equal voting power.

(2) Where additional expertise is needed, the PRS may refer a Revision Request to working groups or task forces that it creates or to existing Technical Advisory Committee (TAC) subcommittees, working groups or task forces for review and comment on the Revision Request. Suggested modifications—or alternative modifications if a consensus recommendation is not achieved by a non-voting working group or task force—to the Revision Request should be submitted by the chair or the chair’s designee on behalf of the subcommittee, working group or task force as comments on the Revision Request for consideration by PRS. However, the PRS shall retain ultimate responsibility for the processing of all Revision Requests.

(3) ERCOT shall consult with the PRS chair to coordinate and establish the meeting schedule for the PRS. The PRS shall meet at least once per month and shall ensure that reasonable advance notice of each meeting, including the meeting agenda, is posted on the ERCOT website.

21.4.4 Protocol Revision Subcommittee Review and Action

(1) Any ERCOT Member, Market Participant, PUCT Staff, the Reliability Monitor, the NERC Regional Entity, the Independent Market Monitor (IMM),or ERCOT may comment on a Revision Request.

(2) To receive consideration, comments must be delivered electronically to ERCOT in the designated format provided on the ERCOT website within 14 days from the posting date of the Revision Request. Comments submitted after the 14 day comment period may be considered at the discretion of PRS after these comments have been posted. Comments submitted in accordance with the instructions on the ERCOT website—regardless of date of submission—shall be posted to the ERCOT website and distributed electronically to the PRS within three Business Days of submittal.

(3) The PRS shall consider the Revision Request at its next regularly scheduled meeting after the end of the 14 day comment period. At such meeting, the PRS may take action on the Revision Request. The quorum and voting requirements for PRS action are set forth in the Technical Advisory Committee Procedures. In considering action on a Revision Request, PRS may:

(a) Recommend approval of the Revision Request as submitted or as modified;

(b) Reject the Revision Request;

(c) Defer decision on the Revision Request; or

(d) Refer the Revision Request to another TAC subcommittee, working group, or task force as provided in Section 21.3, Protocol Revision Subcommittee.

(4) If a motion is made to recommend approval of a Revision Request and that motion fails, the Revision Request shall be deemed rejected by PRS unless at the same meeting PRS later votes to recommend approval of, defer, or refer the Revision Request. The rejected Revision Request shall be subject to appeal pursuant to Section 21.4.11.1, Appeal of Protocol Revision Subcommittee Action.

(5) Within three Business Days after PRS takes action, ERCOT shall issue a PRS Report reflecting the PRS action and post it to the ERCOT website. The PRS Report shall contain the following items:

(a) Identification of submitter;

(b) Protocol language or summary of requested changes to ERCOT systems, recommended by the PRS, if applicable;

(c) Identification of authorship of comments, if applicable;

(d) Proposed effective date of the Revision Request;

(e) Priority and rank for any Revision Requests requiring an ERCOT project for implementation; and

(f) PRS action.

(6) The PRS chair shall notify TAC of Revision Requests rejected by PRS.

21.4.5 Comments to the Protocol Revision Subcommittee Report

(1) Any ERCOT Member, Market Participant, PUCT Staff, the Reliability Monitor, the NERC Regional Entity, the IMM, or ERCOT may comment on the PRS Report. Within three Business Days of receipt of comments related to the PRS Report, ERCOT shall post such comments to the ERCOT website. Comments submitted in accordance with the instructions on the ERCOT website—regardless of date of submission—shall be posted on the ERCOT website within three Business Days of submittal.

(2) The comments on the PRS Report will be considered at the next regularly scheduled PRS or TAC meeting where the Revision Request is being considered.

21.4.11.1 Appeal of Protocol Revision Subcommittee Action

(1) Any ERCOT Member, Market Participant, PUCT Staff, the Reliability Monitor, the IMM, the NERC Regional Entity, or ERCOT may appeal a PRS action to reject, defer or refer a Revision Request, directly to the TAC. Such appeal to the TAC must be submitted electronically to ERCOT by completing the designated form provided on the ERCOT website within seven days after the date of the relevant PRS appealable event. ERCOT shall reject appeals made after that time. ERCOT shall post appeals on the ERCOT website within three Business Days of receiving the appeal. Appeals shall be heard at the next regularly scheduled TAC meeting that is at least seven days after the date of the requested appeal. An appeal of a Revision Request to TAC suspends consideration of the Revision Request until the appeal has been decided by TAC.

21.4.11.2 Appeal of Technical Advisory Committee Action

(1) Any ERCOT Member, Market Participant, PUCT Staff, the Reliability Monitor, the IMM, the NERC Regional Entity, or ERCOT may appeal a TAC action to reject, defer, remand or refer a Revision Request directly to the ERCOT Board. Appeals to the ERCOT Board shall be processed in accordance with the ERCOT Board Policies and Procedures. An appeal of a Revision Request to the ERCOT Board suspends consideration of the Revision Request until the appeal has been decided by the ERCOT Board.

21.4.11.3 Appeal of ERCOT Board Action

(1) Any ERCOT Member, Market Participant, PUCT Staff, or the Reliability Monitor, the IMM, or the NERC Regional Entity may appeal any decision of the ERCOT Board regarding a Revision Request to the PUCT or other Governmental Authority. Such appeal to the PUCT or other Governmental Authority must be made within any deadline prescribed by the PUCT or other Governmental Authority, but in any event no later than 35 days of the date of the relevant ERCOT Board appealable event. Notice of any appeal to the PUCT or other Governmental Authority must be provided, at the time of the appeal, to ERCOT’s General Counsel. If the PUCT or other Governmental Authority rules on the Revision Request, ERCOT shall post the ruling on the ERCOT website.