



## **Item 7: An Update on Potential Changes to the Reliability Must-Run (RMR) Protocols**

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TAC Chair

Board of Directors Meeting

ERCOT Public

August 9, 2016

# RMR Unit Background – Greens Bayou Unit 5

- March 29, 2016 – NRG Texas Power LLC (NRG) submits a Notification of Suspension of Operations (NSO) for its Greens Bayou Unit 5 (371 MW).
- May 24, 2016 – ERCOT hosts stakeholder workshop to discuss various RMR policy matters.
- May 27, 2016 – ERCOT completes final determination and concludes Greens Bayou Unit 5 is needed for RMR Service.
- June 2, 2016 – ERCOT and NRG execute a Standard Form Reliability Must-Run (RMR) Agreement for Greens Bayou Unit 5 to provide 371 MW of capacity for use upon request by ERCOT during Summer months of July 2016 through September 2016.

## RMR Unit Background (cont.)

- June 14, 2016 – ERCOT Board of Directors (BOD) approves a 25-month term in the RMR Agreement between ERCOT and NRG extending from June 1, 2016 through June 30, 2018.
- July 13, 2016 – ERCOT issues a Request for Proposal (RFP) for Must-Run Alternative (MRA) to June 2016 RMR Agreement. ERCOT provides public answers to stakeholder questions on July 28, 2016.
- August 24, 2016 – Deadline for Qualified Scheduling Entities (QSEs) to provide MRA proposals to ERCOT. Anticipated award announcement date is September 30, 2016.

# Previous RMR Agreements

- Previous RMR Agreements (all under the zonal market – 2010 or earlier) include the following units: Laredo, Permian Basin, PH Robinson, Eagle Mountain, Frontera, Fort Phantom, San Angelo, Rio Pecos, J. L. Bates, Barney Davis, and La Palma.
- In Summer 2011, ERCOT entered into contracts with the City of Garland and NRG to provide their units, Spencer and S.R. Bertron, respectively for system wide capacity (see ERCOT Protocol Section 6.5.1.1).

# May 24, 2016 RMR Workshop – Summary

A list of 18 RMR-related issues were identified.

- The list was reviewed and prioritized at the June 10, 2016 QSE Managers Working Group (QMWG).
  
- Highest priority centered around three issues:
  1. The length of notice required when a Resource Entity submits an NSO.
  
  2. RMR study cases, process, and criteria used in identifying whether a Generation Resource is needed for RMR Service.
  
  3. Capital contributions to an RMR Unit.

# Current or Future RMR-related Nodal Protocol Revision Requests (NPRRs)

- NPRR 788 – RMR Study Modification (*addresses the criteria used in determining an RMR Unit*)
- NPRR 793 – Clarifications to RMR RUC Commitment and Other RMR Cleanups
- NPRRXXX – Provisions for Refunds of Capital Contributions Made in Connection with a Reliability Must-Run (RMR) Agreement
- A future NPRR that will address the process, timeline, and notice for RMR consideration is currently being developed by ERCOT.

# Potential Timelines for RMR-related NPRRs

- NPRR788, NPRR793, and NPRRXXX
  - August 11, 2016 and/or September 15, 2016 Protocol Revision Subcommittee (PRS)
  - August 25, 2016 and/or September 29, 2016 Technical Advisory Committee (TAC)
  - October 11, 2016 ERCOT BOD
  
- The timing of a future NPRR to modify process, timeline, and notice is yet to be determined.