



Market Continuity

RMS

08/02/16

What is Market Continuity?

- The processes by which ERCOT market-related systems and activities are returned to normal operations following a triggering event which **disables all, or a significant portion of, the necessary data and/or infrastructure for operations** of those markets for a long enough period of time that patchwork measures are inadequate.
- Assumption – if the markets are suspended, the general continuity processes are the same regardless of cause.
 - Time duration may differ depending on the triggering event.

Overview from Market Continuity Workshop

- ERCOT staff held workshop on May 2nd.
 - 28 in person
 - 48 dialed into WebEx
- Framing issues by topic
 - Restarting of the Real Time and Day Ahead Market
 - Credit policies
 - Settlements during the interruption and subsequent restoration period
 - Retail transaction processing
- TAC directed ERCOT to bring issues to WMS for assignment / discussion.

Following Governance Structure

TAC

Quarterly updates

Discuss cross-impacts and options

ERCOT Subcommittees

Identify cross-impacts

Guidance on options

ERCOT Working Groups

Dig into details

Develop options



Topic	Issue	Proposed WG
RT / DAM	<p>Should DAM be successfully completed before restarting Real-Time Market?</p> <ul style="list-style-type: none"> • If not, should SCED be restarted using mitigated Offers for Operating Days for which DAM has not run? • If so, should the prices from those SCED runs be considered as valid prices for settlements? 	Assigned by WMS on 6/8 to QMWG



Topic	Issue	Proposed WG
RT / DAM / CRR	<p>What to do with the DAM results for the hours with no corresponding RTM runs?</p> <p>If DAM results are invalidated, what about corresponding CRR results?</p>	Assigned by WMS on 6/8 to QMWG
CRR	What to do with CRRs with no corresponding RT and DAM?	Assigned by WMS on 6/8 to CMWG



Topic	Issue	Proposed WG
Credit	<p>Would modifications to credit requirements be appropriate to facilitate DAM restart?</p> <p>These might include</p> <ul style="list-style-type: none"> Temporary provision of unsecured credit Delayed invoice payments Discretionary waiver of collateral calls <p>If so, over what period of time?</p>	Assigned by WMS on 6/8 to CWG



Topic	Issue	Proposed WG
Settlement	Should ERCOT plan to pay generators during the outage event?	Assigned by WMS on 6/8 to QMWG
Settlement	How are verifiable costs for renewables addressed?	Assigned by WMS on 6/8 to RCWG



Topic	Issue	Proposed WG
Settlement	<p>Where would interim funding come from?</p> <ul style="list-style-type: none"> Options could include a standby letter of credit to fund interim payments. Depending upon the nature and duration of the outage event, the cost for make-whole payments could be material. Allocation of make-whole costs to Market Participants would not occur until after the markets are fully restored. This allows time for TDSP meter data submittal and ERCOT settlement reconciliation efforts. 	Assigned by WMS on 6/8 to CWG
Settlement	<p>What would be the methodology for uplift?</p> <p>How to address meter usage data availability / application of estimation and usage profiles (metered and non-metered accounts)?</p>	Assigned by WMS on 6/8 to QMWG



Topic	Issue	Proposed WG
Retail	<p>What are the next steps to agree upon Retail restart procedures?</p> <ul style="list-style-type: none"> • NAESB or other system outages? TDTMS • Manual workaround, how would those need to be adjusted? TXSET • Joint meeting – inviting participation from TDTMS/ TXSET/AMWG 	<p>RMS assignment 08/02 – for all three issues</p> <p>use the 2nd day of TXSET scheduled meeting? Aug 18</p> <p>inviting participation from TDTMS/ TXSET/AMWG/RMS</p>
Retail	<p>Does anything need to be added to facilitate and scale the Safety Net process for use over a longer period of time?</p>	<p>See above</p>
Retail	<p>How to address meter data usage availability and loading (backlog processing)</p>	<p>See above</p>

Next steps

WMS/RMS assign issues



Discussions for next 2-3 months
at working groups



Quarterly updates brought back to
TAC for cross impact discussions

Market Continuity

ERCOT Stands
Ready

