**DRAFT Minutes**

**Protocol Revision Subcommittee (PRS) Meeting**

**ERCOT Austin – 7620 Metro Center Drive – Austin, Texas 78744**

**Thursday, May 11, 2017 – 9:30 a.m.**

Attendance

*Members:*

|  |  |  |
| --- | --- | --- |
| Barnes, Bill | Reliant Energy Retail Services |  |
| Burke, Tom | Golden Spread Electric Cooperative |  |
| Coleman, Diana | OPUC |  |
| Gibson, C.  | Discount Power  |  |
| Greer, Clayton | Morgan Stanley |  |
| Henson, Martha | Oncor |  |
| Kee, David | CPS Energy |   |
| Peters, Patrick | CenterPoint Energy |  |
| Ricketts, David | Luminant |  |
| Shaw, Marka | Exelon |  |
| Trevino, Melissa | Occidental Chemical |  |
| Varnell, John | Tenaska Power Services |  |
| Wittmeyer, Bob | Denton Municipal Electric | Alt. Rep. for S. Day |

|  |  |  |
| --- | --- | --- |
| *Guests:* |  |  |
| Abbott, Kristin | PUCT | Via Teleconference |
| Ainspan, Malcolm | NRG | Via Teleconference |
| Anderson, Kevin | Customized Energy Solutions | Via Teleconference |
| Bearden, Joel | XO Energy | Via Teleconference |
| Brandt, Adrianne | CPS Energy |  |
| Bryant, Mark | PUCT | Via Teleconference |
| Cochran, Seth | DC Energy |  |
| Coleman, Katie | TIEC |  |
| Cook, Tim | LS Power | Via Teleconference |
| Denney, Kristy | Potomac Economics |  |
| Downey, Marty | Viridity |  |
| Elliott, Andrew | ENGIE North America |  |
| English, Barksdale | Austin Energy |  |
| Goff, Eric | Citigroup Energy |  |
| Graham, Greg | Texas Reliability | Via Teleconference |
| Gross, Blake | AEPSC | Via Teleconference |
| Hoatson, Tom | LS Power | Via Teleconference |
| Jones, Randy | Calpine |  |
| Le, Don | Trailstone Group | Via Teleconference |
| Lee, Jim | AEPSC |  |
| McKeever, Debbie | Oncor | Via Teleconference |
| Messer, Tayaun | Rayburn Country |  |
| Morris, Sandy | Direct Energy |  |
| Moss, Steven | EON |  |
| Phillips, Kaylynne | Oncor |  |
| Powell, Chris | LCRA | Via Teleconference |
| Ranaweera, Aruna  | EON |  |
| Reedy, Steve | Potomac Economics |  |
| Reid, Walter | Wind Coalition |  |
| Rehfeldt, Diana | Texas New Mexico Power | Via Teleconference |
| Robertson, Jennifer | LCRA |  |
| Sams, Bryan | NRG |  |
| Sandidge, Clint | Calpine Energy Solutions | Via Teleconference |
| Scott, Kathy | CenterPoint Energy |  |
| Siddiqi, Shams | Crescent Power |  |
| Sithuraj, Murali | Austin Energy |  |
| Smith, Mark | Nucor |  |
| Thompson, David | Pedernales Electric Cooperative | Via Teleconference |
| Thompson, Matthew | XO Energy | Via Teleconference |
| Trenary, Michelle | Tenaska Power Services | Via Teleconference |
| Thurnher, Greg | Shell Energy |  |
| Turner, Lucas | South Texas Electric Cooperative |   |
| Wallin, Shane | Denton Municipal Electric | Via Teleconference |
| White, Lauri | AEPSC | Via Teleconference |
| Whittle, Brandon | Megawatt Analytics  | Via Teleconference |
| Whitworth, Doug | Texas Reliability Entity | Via Teleconference |
| Woodruff, Taylor | Oncor |  |
| Zake, Diana | Lone Star Transmission |  |
|  |  |  |
| *ERCOT Staff* |  |  |
| Albracht, Brittney |  |  |
| Anderson, Troy |  |  |
| Billo, Jeff |  |  |
| Bivens, Carrie |  |  |
| Boren, Ann |  |  |
| Bracy, Phil  |   |   |
| Butterfield, Lindsay |  |  |
| Castillo, Leo |  | Via Teleconference |
| Clifton, Suzy |  |  |
| Hanson, Kevin |  | Via Teleconference |
| Hobbs, Kristi |  |  |
| Landry, Kelly |  |  |
| Levine, Jonathan |  | Via Teleconference |
| Maggio, Dave |  |  |
| Morehead, Juliana |  | Via Teleconference |
| Moreno, Alfredo |  | Via Teleconference |
| Ögelman. Kenan |  |  |
| Phillips, Cory |  |  |
| Ruane, Mark |  |   |
| Searcy, Robbie |  | Via Teleconference |
| Simons, Diane |  | Via Teleconference |
| Solis, Stephen |  | Via Teleconference |
| Thompson, Chad |  |  |
| Zeplin, Rachel |  |  |

*Unless otherwise indicated, all Market Segments were present for a vote.*

Martha Henson called the May 11, 2017 PRS meeting to order at 9:30 a.m.

Antitrust Admonition

Ms. Henson directed attention to the Antitrust Admonition, which was displayed.

Approval of Minutes (see Key Documents)[[1]](#footnote-1)

*April 13, 2017*

**David Kee moved to approve the April 13, 2017 meeting minutes as submitted. David Ricketts seconded the motion. The motion carried unanimously.**

Technical Advisory Committee (TAC) and Board Report

Ms. Henson reminded Market Participants that TAC, in lieu of the April 27, 2017 meeting, conducted a WebEx informational session on April 24, 2017, and approved the Congestion Revenue Right (CRR) Activity Calendar and Nodal Operating Guide Revision Request (NOGRR) 167, Alignment with NPRR776, Voltage Set Point Communication, by email vote.

Project Update and Summary of Project Priority List (PPL) Activity to Date (see Key Documents)

Troy Anderson provided a project update and summary of PPL activity, and reviewed the 2017 and 2018 Release Target dates and 2017 project spending.

Review PRS Reports, Impact Analyses, and Prioritization (see Key Documents)

*Nodal Protocol Revision Request (NPRR) 796, Extended Character Set Clean Up*

**Bill Barnes moved to endorse and forward to TAC the 4/13/17 PRS Report and the Impact Analysis for NPRR796. Clayton Greer seconded the motion. The motion carried unanimously.**

*NPRR824, Alignment of EEA Level 3 with NERC Reliability Standards EOP-011-1 and BAL-001-2*

Market Participants offered clarifications to standardize references to the “the clock-minute average system frequency.”

**Mr. Greer moved to endorse and forward to TAC the 4/13/17 PRS Report as revised by PRS and the Impact Analysis for NPRR824. Bob Wittmeyer seconded the motion. The motion carried unanimously.**

Review of Pending Project Priorities (see Key Documents)

Mr. Anderson presented target start dates for approved Revision Requests for May, June and September 2017.

Urgency Vote

*NPRR831, Inclusion of Private Use Networks in Load Zone Price Calculations*

Market Participants reviewed Section 21.5, Urgent and Board Priority Nodal Protocol Revision Requests

and System Change Requests.  Kenan Ogelman stated that during the development of Nodal Market design, Private Use Network residual Load was not included in Load Zone pricing outcomes, and that currently a Private Use Network can potentially become a net consumer and should be treated as ERCOT Load.  Some Market Participants expressed concern for consideration of Urgent status for NPRR831 and requested additional time to review the impacts.  Other Market Participants believed Urgent status was necessary, pointing out the inefficient market outcomes in Day-Ahead Market (DAM) transactions during the March 14, 2017 event, wherein the Real-Time Revenue Neutrality Allocation to Loads was ~$4.9M.

**Mr. Barnes moved to grant NPRR831 Urgent status. Greg Thurnher seconded the motion. The motion carried unanimously.**

ERCOT Staff offered clarifications to NPRR831. Market Participants requested expediting implementation of NPRR831, but expressed concern for jeopardizing current projects. Mr. Anderson presented priority and rank options for NPRR831. In response to Market Participant questions, Mr. Ogelman offered market benefits in implementing NPRR831.

**Mr. Thurnher moved to recommend approval of NPRR831 as revised by PRS, and to forward NPRR831 and the Impact Analysis to TAC with a priority of 2017 and a rank of 1568. Mr. Barnes seconded the motion. The motion carried unanimously.**

*NPRR832, Disallow PTP Obligation Bids and DAM Energy Bids that Sink at Private Use Network Settlement Points Without a Load Distribution Factor*

**Mr. Barnes moved to waive notice in order to consider NPRR832. Tom Burke seconded the motion.** Market Participants discussed the timing of the submittal of NPRR832, waiving notice, and the reasons for the request for Urgent status.

**Mr. Wittmeyer moved to call the question. Barksdale English seconded the motion. The motion carried unanimously.**

**The motion to waive notice in order to consider NPRR832 failed via roll call vote with 11 objections from the Consumer (OPUC), Independent Power Marketer (IPM) (4) (Citigroup, Morgan Stanley, Shell Energy, Tenaska), Investor Owned Utility (IOU) (3) (AEPSC, CenterPoint, Oncor) and Municipal (3) (Austin Energy, CPS Energy, DME) Market Segments.** *(Please see ballot posted with Key Documents.)*

Revision Requests Tabled at PRS (see Key Documents)

*NPRR697, Disclosure of Protected Information for Research and Coordination Purposes*

*NPRR768, Revisions to Real-Time On-Line Reliability Deployment Price Adder Categories*

*NPRR807, Day-Ahead Market Price Correction*

*NPRR814, Modify Black Start Procurement Cycle*

*NPRR815, Revise the Limitation of Load Resources Providing Responsive Reserve (RRS) Service*

*NPRR817, Create a Panhandle Hub*

*NPRR819, Resettlement Clean-Ups*

*NPRR821, Elimination of the CRR Deration Process*

PRS took no action on these items.

*NPRR822, Designate Resource Node Procedure an Other Binding Document and Adjust the Process for Retiring Resource Nodes*

*Associated Revisions to the Procedure for Identifying Resource Nodes*

**Mr. Barnes moved to recommend approval of NPRR822 as amended by the 4/18/17 ERCOT comments. Mr. Greer seconded the motion. The motion carried unanimously.**

*NPRR823, Amend the Definition of an Affiliate*

Market Participants requested additional time to review NPRR823.

**Mr. Greer moved to table NPRR823. Mr. Wittmeyer seconded the motion. The motion carried unanimously.**

*NPRR827, Disallow PTP Obligation Bid Award where Clearing Price exceeds Bid Price by $0.25/MW per hour – Urgent*

Market Participants discussed the merits of NPRR827 and the 5/4/17 Wholesale Market Subcommittee (WMS) comments. Some Market Participants expressed support for NPRR827 as an interim solution that would disallow ERCOT from awarding Point-to-Point (PTP) Obligations in the DAM where the corresponding clearing price is greater than the bid price for the PTP Obligation, until a long term solution could be developed. Other Market Participants expressed a concern for the lack of proper vetting for the proposed interim solution, noting ERCOT would implement the short term solution as a manual process and opined that a proper notification strategy for impacted Market Participants was needed. Market Participants and ERCOT Staff discussed a specific threshold value of $0.25/Megawatt (MW) hour to effectuate the appropriate tolerance and offered revisions to NPRR827.

**Mr. Greer moved to recommend approval of NPRR827 as amended by the 5/4/17 WMS comments and as revised by PRS; and to forward to TAC. Mr. Kee seconded the motion. The motion carried with one objection from the Independent Retail Electric Provider (IREP) (Direct Energy) Market Segment and two abstentions from the Cooperative (Rayburn) and IPM (Shell Energy) Market Segments.**

Review of Revision Request Language (see Key Documents)

*NPRR825, Require ERCOT to Declare an Emergency Condition Prior to Curtailing any DC Tie Load*

Shams Siddiqui reviewed the history of the Direct Current Tie (DC Tie) Load curtailments, NPRR818, Allow Curtailment of DC Tie Load Prior to Declaring Emergency Condition, and the related issues as described in the business case for NPRR825. Market Participants requested additional review by the Reliability and Operations Subcommittee (ROS) and WMS.

**Melissa Trevino moved to table NPRR825 and refer the issue to ROS and WMS. Mr. Barnes seconded the motion. The motion carried unanimously.**

*NPRR826, Mitigated Offer Caps for RMR Resources*

Market Participants discussed the merits of NPRR826, noted the report referenced in the 5/10/17 NRG comments, and requested additional review by WMS.

**Mr. Ricketts moved to table NPRR826 and refer the issue to WMS. Ms. Trevino seconded the motion. The motion carried unanimously.**

*NPRR828, Include Fast Frequency Response as a Subset of Responsive Reserve*

**Steven Moss moved to table NPRR828 and refer the issue to ROS and WMS. Mr. Burke seconded the motion. The motion carried unanimously.**

*NPRR829, Incorporate Real-Time Non-Modeled Telemetered Net Generation by Load Zone into the Estimate of RTL*

Marty Downey reviewed the business case for NPRR829. Market Participants discussed the term Non-Modeled Generator, and noted that it imprecisely encompasses the type of Resource contemplated by this NPRR and that additional, but separate, work should be done to resolve ambiguity in these related concepts. Market Participants acknowledged the 5/10/17 Shell Energy comments and noted that the Credit Work Group (Credit WG) has already begun review of NPRR829. Market Participants requested the Credit WG continue their review and for WMS to also review NPRR829.

**Mr. Barnes moved to table NPRR829 and refer the issue to the Credit WG and WMS. Mr. Thurnher seconded the motion. The motion carried unanimously.**

*NPRR830, Revision of 4-Coincident Peak Methodology*

Market Participants discussed the merits of NPRR830 and the Revised Impact Analysis. ERCOT Staff noted the changes proposed in NPRR830 do not change the settlement calculation, but only how ERCOT calculates the 4-Coincident Peak (4-CP) interval. Market Participants further discussed the implementation timeline, the proposed manual process, and the need to expedite implementation of NPRR830 to avoid impacts to the 2017 4-CP report.

**Mr. Greer moved to grant NPRR830 Urgent status. Ms. Trevino seconded the motion. The motion carried unanimously.**

**Mr. Greer moved to recommend approval of NPRR830 as revised by PRS; to forward NPRR830 and the Revised Impact Analysis to TAC with a priority of 2017 and rank of 2010; and to recommend an effective date of upon ERCOT Board approval. Patrick Peters seconded the motion. The motion carried unanimously.**

Other Business

There was no other business.

Adjournment

Ms. Henson adjourned the May 11, 2017 PRS meeting at 11:50 a.m.

1. Key Documents referenced in these minutes may be accessed on the ERCOT website at <http://www.ercot.com/calendar/2017/5/11/108260-PRS> unless otherwise noted [↑](#footnote-ref-1)