**MSWG Meeting Notes**

**Meeting Date: February 26, 2019**

**Agenda**

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| 1. | Antitrust Admonition |
| 2. | Agenda Review and Roll Call Admonition read; Role taken; All agenda items discussed. |
| 3. | Review of last meeting’s notes * Last meeting’s notes was posted on the 1/22/19 MSWG meeting page. The group was asked to review the notes and provide feedback. The group was reminded that MSWG’s meeting notes are for information only and all citations must be limited in scope.
* The item of continued discussions of next steps for defining settlement in a follow-up NPRR for NPRR850 is now tabled at MSWG. MSWG will wait for WMWG to look at the remaining issues/questions and provide conceptual guidance on the settlements of various scenarios such as partial day suspension.
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| 4. | Proposed Changes to Settlement Stability Report* ERCOT presented two new charts (ESI ID Count Availability % Report and Load Volume Availability % Report) to replace the previous six ESIID consumption data charts. Data for all three settlement cycles (Initial, Final, and True up) is combined in the same charts with the X-axis showing the corresponding 6-month period for each settlement cycle in contrasting colors.
* The group agrees the two new charts are great improvement and meet the requirement of NP8.2(2)(c)(vi) Availability of Electric Service Identifier (ESI ID) consumption data in conformance with Settlement timeline.
* MSWG will present new graphs to WMS. RMS asked the new changes to be presented at RMS so that RMS folks are aware of the changes too.
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| 5. | NPRR917 Nodal Pricing for Settlement Only Distribution Generators (SODGs) and Settlement Only Transmission Generators (SOTGs)* The group reviewed the presentation which ERCOT had given on NPRR917 at the 2/25/19 WMWG/CMWG/MSWG meeting. The extraordinary growth of SODG is the driving force behind this NPRR. Nodal pricing would provide proper incentives for non-modeled generators and registered DG in transmission-constrained areas.
* NPRR866 maps DGs to electrical buses for nodal pricing.
* ERCOT was asked to provide a report on DG prices.
* 15-min prices for DGs are available in both real time and extracts.
* Currently non-modeled DG (including distribution-level DGs registered with PUCT as self-generators) will automatically be switched to SODG.
* This NPRR does not require nodal energy pricing for generators connected at transmission level and registered with PUCT as self-generator.
* While the WMWG meeting answered some of MSWG’s questions concerning price formation and purpose, MSWG recommends a few small changes to the current language for intent clarification and algorithm clean-up.
* MSWG will look into registration and additional settlement needs and file comments/edits after the grandfathering/optionality language is decided.
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| 6. | 2017-2018 Mitigated Offer Cap Errors, Manual and Production Fixes* The group reviewed ERCOT’s presentation to TAC (1/30/19 TAC meeting) on software errors impacting Real-Time Mitigated Offer Cap (MOC) calculations. This resulted in under-mitigation (i.e., higher MOC curves) of Resources for the impacted intervals. MOC components other than O&M were not affected. The errors were triggered by manual adjustment of newly submitted verifiable O&M costs. Therefore it happened intermittently in two months 2017 and three months in 2018. ERCOT is unable to perform price corrections since significant assumptions concerning the operating behavior of Resources would need to be made in order to recalculate prices.
* The issue has been resolved through a manual process starting Jan 2019. Software fixes will be deployed in ~April 2019.
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| 7. | 2019 Release Targets with Settlement Impacts Feb & April* Approved and in progress: NPRR 833, 917 and related RRs including 866/889, 845, 905, 850, 855, 863
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| 8. | Evaluation of New NPRRs for Settlement Impacts |
| 9 | Scope consensus for WMS approval* Nodal Settlement Handbook is removed from scope.
* Newly added language: “MSWG will review the Market Data Transparency SLA annually, and the Extract Report Incident Log, as needed.” “MSWG will capture changes in market rules that impact Settlements by reviewing ERCOT-maintained documents including Revision Requests, the Settlement Matrix, and the EMIL.”
* Heather will present the revised scope to the 3/6 WMS meeting for approval.
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| 10. | Approval of 2019 Meeting Dates |
| 11. | Other Business* The 3/6/19 Real-Time Co-optimization workshop has a few slides on RTC settlements.
* NPRR855 Must-Run Alternative (MRA) Details and Revisions – MSWG will start reviewing calculations in March.
* Pursue Settlement that align balancing account settlement to CARD in RR – Addressed by approved NPRR905, to be implemented in the calendar year.
* CRR Balancing Account depletion issue. $10MM put in place ~32 months ago. Balance has been below $10MM 6 times and did go to $0 in July 2018. Rather than develop a new number based on one month, CMWG takes the approach that correcting the congestion issue is more helpful. MSWG agrees and will continue to track.
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| 12. | Adjourn |

Disclaimer:

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