**APPROVED**

**Minutes of the Wholesale Market Subcommittee (WMS) Meeting**

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

**Wednesday, May 1, 2019 – 9:30 a.m.**

Attendance

*Members:*

|  |  |  |
| --- | --- | --- |
| Allen, Thresa | Avangrid Renewables | Via Teleconference |
| Barnes, Bill | Reliant Energy Retail Services |  |
| Bierschbach, Erika | Austin Energy |  |
| Caraway, Shannon | Solar Prime |  |
| Carpenter, Jeremy | Tenaska Power Services |  |
| Coleman, Diana | OPUC |  |
| Downey, Marty | Electranet Power |  |
| Franklin, Russell | Garland Power and Light |  |
| Goff, Eric | Citigroup Energy |  |
| Greer, Clayton | Morgan Stanley |  |
| Gross, Blake | AEP Service Corporation |  |
| Johnson, Anthony | CenterPoint Energy |  |
| Kee, David | CPS Energy |  |
| Kueker, Daniel | Brazos Electric Power Cooperative | Alt. Rep. for Mike Evans |
| Lange, Clif | South Texas Electric Cooperative |  |
| Lindberg, Ken | Bryan Texas Utilities |  |
| Mauldin, Jamie | City of Eastland |  |
| Morris, Sandy | Direct Energy |  |
| Parker, Ty | Infinite Energy | Via Teleconference |
| Robertson, Jennifer | LCRA | Alt. Rep. for J. Dumas |
| Schwarz, Brad | Sharyland Utilities |  |
| Shaw, Marka | Exelon |  |
| Smith, Mark | Nucor |  |
| Surendran, Resmi | Shell Energy |  |
| Velasquez, Ivan | Oncor |  |
| Whittle, Brandon | Calpine |  |
| Wilson, Joe Dan | Golden Spread Electric Cooperative |  |

*Guests:*

|  |  |  |
| --- | --- | --- |
| Abbott, Kristin | PUCT | Via Teleconference |
| Ainspan, Malcolm | NRG | Via Teleconference |
| Berry, Maggie | Golden Spread Electric Cooperative | Via Teleconference |
| Boisseau, Heather | LCRA |  |
| Bruce, Mark | Cratylus Advisors | Via Teleconference |
| Bryant, Mark | PUCT | Via Teleconference |
| Bunch, Kevin | EDF Energy Services |  |
| Cochran, Seth | DC Energy |  |
| Daigneault, Ralph | Potomac Economics |  |
| Detelich, David | CPS Energy |  |
| Donohoo, Ken | EPE Consulting | Via Teleconference |
| Haley, Ian | Luminant Generation |  |
| Henry, Mark | Texas Reliability Entity | Via Teleconference |
| Hourihan, Mike | CPower Energy Management | Via Teleconference |
| Hudis, Gabriella | Gabel and Associates | Via Teleconference |
| Hughes, Darren | LCRA | Via Teleconference |
| Huynh, Thuy | Potomac Economics |  |
| Jewell, Michael | Jewell and Associates | Via Teleconference |
| Juricek, Michael | Oncor | Via Teleconference |
| Kroskey, Tony | Brazos Electric Cooperative | Via Teleconference |
| Penney, David | Texas Reliability Entity | Via Teleconference |
| Powell, Christian | Pedernales Electric Cooperative |  |
| Rainwater, Kim | Environmental Defense Fund |  |
| Reedy, Steve | Potomac Economics |  |
| Reid, Walter | Advanced Power Alliance | Via Teleconference |
| Rich, Katie | Golden Spread Electric Cooperative |  |
| Robinson, Rhonda | Calpine | Via Teleconference |
| Rochelle, Jennifer | Customized Energy Solutions | Via Teleconference |
| Siddiqi, Shams | Crescent Power |  |
| Singer, Chad | Trane | Via Teleconference |
| Smith, Caitlin | Invenergy | Via Teleconference |
| Smith, Scott | DTR&G PC | Via Teleconference |
| Tran, Diane | TIEC |  |
| Trefny, Floyd | Steel Companies | Via Teleconference |
| True, Roy | Aces Power | Via Teleconference |
| Turner, Lucas | South Texas Electric Cooperative | Via Teleconference |
| Van Booven, Ashley | New Braunfels Utilities | Via Teleconference |
| Van Zee, Katie | Texas Reliability Entity | Via Teleconference |
| Varnell, John | Tenaska Power Services | Via Teleconference |
| Whitworth, Doug | Texas Reliability Entity | Via Teleconference |
| Wittington, Pam | Jewell and Associates |  |
| Wittmeyer, Bob | Denton Municipal Electric |  |
| Younger, Joseph | Texas Reliability Entity | Via Teleconference |

*ERCOT Staff:*

|  |  |  |
| --- | --- | --- |
| Albracht, Brittney |  |  |
| Bethke, Ponda |  | Via Teleconference |
| Bivens, Carrie |  |  |
| Bracy, Phil |  | Via Teleconference |
| Clifton, Suzy |  |  |
| Day, Betty |  | Via Teleconference |
| Du, Pengwei |  | Via Teleconference |
| Frosch, Colleen |  |  |
| Garcia, Freddy |  | Via Teleconference |
| Gonzalez, Ino |  |  |
| Hanson, Kevin |  | Via Teleconference |
| Hilliard, Marie |  | Via Teleconference |
| Holt, Blake |  | Via Teleconference |
| Kane, Erika |  | Via Teleconference |
| Levine, Jon |  | Via Teleconference |
| Liu, Cong |  | Via Teleconference |
| Maggio, Dave |  |  |
| Mago, Nitika |  |  |
| Mereness, Matt |  |  |
| Mickey, Joel |  |  |
| Morehead, Juliana |  | Via Teleconference |
| Moreno, Alfredo |  | Via Teleconference |
| Ögelman, Kenan |  |  |
| Phillips, Cory |  |  |
| Raish, Carl |  | Via Teleconference |
| Rosel, Austin |  |  |
| Shaw, Pam |  |  |
| Smith, Nathan |  | Via Teleconference |
| Thomas, Shane |  | Via Teleconference |
| Thompson, Chad |  | Via Teleconference |
| Townsend, Aaron |  | Via Teleconference |
| Warnken, Pete |  | Via Teleconference |
| Wattles, Paul |  | Via Teleconference |

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

Antitrust Admonition

David Kee directed attention to the Antitrust Admonition, which was displayed.

Agenda Review

Mr. Kee reviewed items scheduled for a vote and noted changes to the order for which items would be taken up.

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

*April 3, 2019*

**Jeremy Carpenter moved to approve the April 3, 2019 WMS meeting minutes as submitted. Diana Coleman seconded the motion. The motion carried unanimously.**

Technical Advisory Committee (TAC) Update and Assignments

Mr. Kee reminded Market Participants that TAC did not meet in April 2019.

ERCOT Operations and Market Items

*Real-Time Ancillary Service Shortages*

Nitika Mago summarized the Real-Time Ancillary Service shortages issues and presented the analysis. Potential interim solutions pending implementation of Real-Time Co-optimization (RTC) were discussed.

*RUC Decommitment Report*

Austin Rosel presented the 2018 Reliability Unit Commitment (RUC) Decommitment report.

*ERCOT Analysis of 4CP and Retail Demand Response*

Carl Raish summarized the survey collection process for developing the annual ERCOT Analysis of 4-Coincident Peak (4-CP) and retail Demand response, noting this year’s survey included Non-Opt-In Entities (NOIEs). Some Market Participants expressed concern for potential hedging issues and credit risk for Demand response customers due to high prices, and requested additional review of the credit implications. Mr. Kee requested the Market Credit Working Group (MCWG) review the issues.

*Southern Cross Transmission Assignment Update*

Matt Mereness summarized Southern Cross Transmission Directive #7, Determination as to how to Manage Congestion caused by a DC Tie, recommended assignment of the issues to the Congestion Management Working Group (CMWG), and requested direction from WMS. Market Participants expressed support for the ERCOT recommendation. Mr. Kee requested the issues be taken up at the May 6, 2019 CMWG meeting.

New Protocol Revision Subcommittee (PRS) Referrals

There were no new Revision Requests referred from PRS.

Wholesale Market Working Group (WMWG) see (Key Documents)

David Detelich summarized recent WMWG activities.

Revision Requests Tabled at PRS, Referred to WMS (see Key Documents)

*Nodal Protocol Revision Request (NPRR) 872, Modifying the SASM Shadow Price Cap*

WMS took no action on this item.

*NPRR838, Updated O&M Cost for RMR Resources*

Mr. Detelich summarized the history of NPRR838 in consideration of the solutions proposed in NPRR826, Mitigated Offer Caps for RMR Resources, and discussions at the April 22, 2019 WMWG meeting. Mr. Detelich stated that WMWG recommends WMS consider only the automated Phase 2 for NPRR826 proposed in the 4/26/19 ERCOT comments, and if implemented, then consider NPRR838 with clarifications removing the Mitigated Offer Cap (MOC) language. Mr. Reedy expressed concern for implementing NPRR826 and creating incentives by raising the MOC above costs, treating RUC and Reliability Must-Run (RMR) Resources the same when the RUC Resource could make profits if a Day-Ahead Market (DAM) offer was submitted, and the RMR could not (over its contractual rate). Market Participants requested additional consideration of the RUC mitigation methodology. Mr. Kee requested the WMWG review the issues and stated NPRR826 would be considered at the June 5, 2019 WMS meeting. WMS took no action on NPRR838.

*NPRR903, Day-Ahead Market Timing Deviations*

Market Participants and ERCOT Staff discussed the history of NPRR903, the 4/5/19 Citigroup comments, and the 4/24/19 ERCOT comments. Some Market Participants expressed support for identifying specific scenarios and ERCOT actions. ERCOT Staff reminded Market Participants that NPRR903 was filed to add clarity, transparency, and constraints to a process ERCOT already has the authority to engage, and that the proposed additional clarifications could result in the DAM not clearing in certain conditions. Some Market Participants expressed support for NPRR903 and opined the DAM clearing is the most important part of the ERCOT market. WMS took no action on this item.

*NPRR904, Revisions to Real-Time On-Line Reliability Deployment Price Adder for ERCOT-Directed Actions Related to DC Tie*

Mr. Detelich summarized NPRR904 and discussions at the April 22, 2019 WMWG meeting. Shams Siddiqi summarized the 4/23/19 REMC comments. Dave Maggio reminded Market Participants that the advisory limit considers potential commitments, so it is possible the posted amount can be more than what can be managed in Real-Time, added that NPRR904 could incentivize QSEs to schedule Electronic Tags (e-Tags) above the advisory limits to raise Real-Time Market (RTM) prices, and noted the potential for Loads to bear the risk through the RTRDPA.

**Clayton Greer moved to endorse NPRR904 as amended by the 4/23/19 REMC comments. Resmi Surendran seconded the motion. The motion carried with two abstentions from the Consumer (Nucor) and Municipal (Bryan Texas Utilities) Market Segments.**

*NPRR918, Validation Clarification for PTP Obligations with Links to an Option*

Bill Barnes summarized the history of NPRR918, the 4/19/19 ERCOT comments, and the 4/23/19 Reliant comments. Some Market Participants requested additional time to review the validation process proposed by ERCOT. WMS took no action on this item.

Market Settlement Working Group (MSWG) (see Key Documents)

*Market Data Transparency SLA*

Heather Boisseau reviewed MSWG activities, including the Market Data Transparency Service Level Agreement (SLA) and MSWG action items.

**Blake Gross moved to approve the 2019 Market Data Transparency SLA as submitted. Mr. Greer seconded the motion. The motion carried unanimously.**

Demand Side Working Group (DSWG) (see Key Documents)

*DSWG Procedures*

Christian Powell reviewed DSWG activities, including the DSWG Procedures.

**Marty Downey moved to approve the DSWG Procedures as submitted. Mark Smith seconded the motion. The motion carried unanimously.**

MCWG (see Key Documents)

Mr. Barnes reviewed MCWG activities.

Supply Analysis Working Group (SAWG) (see Key Documents)

Caitlin Smith reviewed SAWG activities.

Other Business

There was no other business.

*Review of Open Action Items*

Market Participants reviewed the Open Action Items list, added clarifications and removed these completed items:

* Review MSWG Scope for meeting efficiencies with the Metering Working Group (MWG), and MSWG provide revised scope for supplanting Nodal Handbook with ERCOT Settlement Matrix
* Review the auction design for Congestion Revenue Rights (CRR) default
* Pursue Settlement that align balancing account settlement to CRR Auction Revenue Distribution (CARD)
* CRR balancing account is possibly nearing depletion as a settlements function consider whether we should raise cap from $10 million to something higher

*No Report*

* CMWG
* MWG
* Resource Cost Working Group (RCWG)

Adjournment

Mr. Kee adjourned the May 1, 2019 WMS meeting at 11:59 a.m.

1. <http://www.ercot.com/calendar/2019/5/1/165235-WMS> [↑](#footnote-ref-1)