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| NPRR Number | [938](http://www.ercot.com/mktrules/issues/NPRR938) | NPRR Title | Distribution Voltage Level Block Load Transfer (BLT) Compensation |
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| Date | | July 9, 2019 | |
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| Submitter’s Information | | | |
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| Market Segment | | NA | |

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| Comments |

ERCOT appreciates the opportunity to submit the following comments to Nodal Protocol Revision Request (NPRR) 938. ERCOT understands the objectives Golden Spread Electric Cooperative (GSEC) is trying to achieve with this NPRR. However, ERCOT is concerned that this proposal inappropriately deviates from the general principle in the ERCOT market that Settlement should be based on metered values.

Both Public Utility Regulatory Act (PURA) § 39.151(a)(4) and Public Utility Commission of Texas (PUCT) Substantive Rule 25.361(b) require ERCOT, as the independent organization for the ERCOT Region, to “ensure that electricity production and delivery are accurately accounted for among the generators and wholesale buyers and sellers in the region.” Accordingly, the Protocols generally require Transmission and/or Distribution Service Providers (TDSPs) to meter all Loads and to supply ERCOT with meter data associated with all Loads using the ERCOT System. The Protocols establish only a few limited exceptions to this general rule, which are specified in item (1)(f) of Section 10.3.3.1, Data Responsibilities:

1. Energy consumption by substation Facilities and equipment for the purpose of transporting electricity (e.g., substation transformers, fans, etc.).
2. Unmetered energy consumption represented by an ERCOT-approved Load Profile; or
3. Energy charge and discharge and associated losses for the ERCOT Board-approved storage devices installed as part of a transmission reliability project for the Presidio substation Facilities.

Each of these exceptions involves TDSP Load that, if metered, would likely be eligible for uplift via the PUCT’s transmission cost of service mechanism as an operating expense, or are non-metered Loads that are assigned a market-developed Load Profile for Settlements. The assigned Load Profiles have been developed by the market based on criteria in Section 18, Load Profiling, and in the Load Profiling Guide. Such non-metered Loads have historically been limited to predictable Loads that can be can be accurately represented by an engineering estimate, such as streetlights, traffic lights, security lighting, billboards and parking lots. Exempting Block Load Transfer (BLT) Load from metering requirements cannot be justified using the principles that support these exceptions.

Given PURA’s mandate that ERCOT accurately account for energy, and ERCOT’s well-established practice of relying on metered data to account for that energy, ERCOT does not support NPRR938 as drafted.