

WMS update

TAC MEETING

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SEPTEMBER 25, 2019

Agenda

- ❖ Previous meetings – Aug 7, Sep 4
- ❖ WMS Endorsements
- ❖ Items for TAC consideration
- ❖ Items to note

WMS Endorsements

- ❖ NPRR 918 Validation Clarification for PTP Obligations with Links to an Option
- ❖ NPRR941, Create a Lower Rio Grande Valley Hub
- ❖ High Impact Transmission Element (HITE) list

Items for TAC consideration

- ❖ SMOGRR022, Related to NPRR948, Instrument Transformer Testing Schedule and Removal of Reference to Fiber-Optic Current Transformers
 - ❖ Only removes references to Fiber-Optic technology which is no longer used
 - ❖ No impact
- ❖ VCMRR023, Related to NPRR940, Removal of Language Related to NPRR664, Fuel Index Price for Resource Definition and Real-Time Make-Whole Payments for Exceptional Fuel Cost Events
 - ❖ Aligns VCMRR with ERCOT Protocols as modified by NPRR 940
 - ❖ NPRR 940 removes changes made in NPRR 664 and currently grey-boxed
 - ❖ No impact

Items for TAC consideration

- ❖ VCMRR024, Allocation of Auxiliary Equipment Power Costs in Variable O&M
 - ❖ Addresses scenario where auxiliary power is not served by the plant and instead is subject to retail tariff rates
 - ❖ Consensus at RCWG was to allow auxiliary power costs being recoverable as a variable cost when being served by a third party
 - ❖ Removes the costs from startup and minimum energy costs
 - ❖ No impact

Items to note

- ❖ Exploring adjusting the adjustment period/operating period for COP & EOC updates closer to real time
- ❖ Storage discussions continue at WMWG & WMS
- ❖ Discussions continue on May 30th event related to price validity as a result of telemetry errors
 - ❖ Telemetry validation rules
 - ❖ Update market notification
 - ❖ Price correction methodologies and policy

Items to note

- ❖ SAWG continues to review and refine CDR methodologies
 - ❖ Storage
 - ❖ Renewables
 - ❖ Will update scope to incorporate the Cost of New Entry (CONE) and Peaker Net Margin (PNM) studies and recommendations

Questions or discussion

❖ Next meeting – Oct 2