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| Key Topic Concept (KTC) Number | 8 | KTC Title | Wholesale Storage Load Treatment |
| Date Posted | November 19, 2019 |
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| Executive Summary | This KTC recommends whether provisions related to Wholesale Storage Load (WSL) treatment for battery energy storage should be modified. |
| Recommendation Description | WSL treatment should not be extended to Energy Storage Resources (ESRs) that are capable of self-serving retail Load, such as Private Use Network (PUN) Load, with the stored energy.  |
| BESTF Discussion  | On 11/15/19 ERCOT staff presented on KTC 8 item 1, which asked about the appropriateness of WSL treatment for batteries located within PUNs.  |
| TAC Action Requested | None. |
| TAC Action Summary |  |

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| Proposed KTC Recommendation Language |

# *Key Topic/Concept recommendation Language for TAC Approval*

None.

# *Key Topic/Concept recommendation Language Previously Approved by tac*

None.

# *Key Topic/Concept recommendation Language IN DISCUSSION AT BESTF*

The BESTF acknowledged the language in PUC Subst. Rule 25.501 (m) which states that WSL occurs when stored energy is “subsequently re-generated and sold at wholesale as energy or ancillary services.” Based on this provision in Rule, a battery that serves retail Load behind its Point of Interconnection should be ineligible for WSL treatment.

# *Future Decision Points and Issues for Developing Key topic/Concept recommendation Language*

1. Item #2 in KTC-8 asks: *Should WSL treatment implementation extend to non-dispatched generators? If yes, should there be differentiation between a SOG that is co-located with customer load and one that only has auxiliary loads behind the metering point?*

Settlement Only Energy Storage is not yet a defined term, pending future NPRR submissions by the Resource Definition Task Force (RTF). Under current rules, a battery with capacity >1 MW that injects to the grid would register with ERCOT as a Settlement Only Distribution Generator or Settlement Only Transmission Generator. The BESTF has deferred discussion on WSL treatment for these resources until sometime early next year.

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| Applicable Protocol Section(s) |  |
| Impacted System(s) / Application(s) |  |