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| Key Topic Concept (KTC) Number | 6 | KTC Title | ESR Options to Maintain Desired Level of State of Charge and Single Model ESR Framework Description |
| Date Posted | | January 17, 2020 | |
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| Executive Summary | | This KTC recommends an improved method for Energy Storage Resources (ESRs) to communicate to ERCOT their willingness or unwillingness to be dispatched by SCED. This KTC also provides information about the offer structure and general framework for a single model ESR. | |
| Recommendation Description | | This KTC recommends that updates to Energy Offer Curves (EOCs) by Limited Duration Resources (LDRs) may be submitted immediately prior to the start of the Operating Hour. As a second phase consideration, LDRs could be allowed to submit EOCs during the Operating Hour.  This KTC also establishes a framework for how ESRs will participate in the ERCOT markets after they are represented in the ERCOT systems as a single model resource (i.e., after the current “combination model” is retired, now scheduled for mid-2024). | |
| BESTF Discussion | | On 10/18/19, ERCOT staff presented a refresher on previous stakeholder discussion around the ability of Limited Duration Resources (LDRs) to have their Energy Offer Curves (EOCs) closer to Real-Time. Task force participants largely seemed in favor of a phased approach.  On 11/4/19, the BESTF reached consensus on KTC 6 item 1. ERCOT staff presented information about the offer structure of a single model ESR (item 2 of this KTC document).  On 11/15/19, the BESTF discussed KTC 6 item 2 and a few edits were made during the meeting. It was agreed to post the revised document and give everyone another chance to review and provide comments. The document is scheduled to be discussed on December 6.  On 12/06/19, the BESTF discussed KTC-6 item 2 and it was agreed ERCOT would delete the comments for the items previously discussed and resolved, and provide an updated document for further review. The only remaining issue is whether a QSE should continue to have the ability to telemeter an “OFF” status for an ESR to indicate it is “reserving the capacity to align with the QSE’s load’s peak later in the day”. Energy Offer Curve submittal practices associated with a Voluntary Mitigation Plan (VMP) were also discussed and other ideas such as telemetering a Ramp Rate of “0 MW/min” or a reduced HSL were discussed. One other idea brought up was to consider using the new Real Time Co-Optimization status of “ONHOLD” as way to indicate that RTC should not move the resource to a different Base Point nor should RTC give the ESR any AS award. The plan is to further discuss this KTC on 1/17/20.  On 1/17/20, the BESTF reached consensus on KTC 6 item 2 following discussion. | |
| TAC Action Requested | | BESTF plans to request at the 11/20/19 TAC meeting a vote to approve KTC 6 item 1.  BESTF plans to request at the 1/29/20 TAC meeting a vote to approve KTC 6 item 2. | |
| TAC Action Summary | | On 11/20/19, TAC approved KTC 6 item 1. | |

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| Proposed KTC Recommendation Language |

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

1/29/20 TAC Meeting (Consensus from 1/17/20 BESTF meeting):

1. Single Model ESR Characteristics

The single model ESR has the following characteristics:

1. Physically a single device with one electrical pathway to the modeled electrical network for both charging and discharging
2. Can smoothly transition from charging to discharging and vice-versa and there is no deadband around 0 MW
3. Limited energy storage capability (<= 24 hours). This implies that an ESR cannot discharge continuously at its maximum rated MW, per its registration with ERCOT, for 24 hours
4. Single Model ESR Market Rules
   1. ERCOT systems/software will assume that there are no temporal constraints (StartTime, MinUpTime, MinDownTime, etc.) and also assume that there is no transition times between charging and discharging. QSEs may submit Resource specific information (limits, ramp rates, etc.)to ERCOT via telemetry or XML submissions to account for the temporal constraints and transition times
   2. Does not have Startup, shutdown and transition costs
   3. Energy awards (DAM) / Base Points (RTC) will be a single number (in MW) that can be positive MW (discharge) or negative MW (charge)
   4. Ancillary Service Awards (DAM or RTC) will be positive MW
   5. In Phase 1 (EMS Upgrade/RTC go-live), State Of Charge and State Of Charge Operational Limits (min, max) will not be used in the optimization engines of DAM, RUC, and Real-Time Market (RTC)
      1. SOC related telemetry will be used for:
         1. Calculation of contribution to PRC
         2. ERCOT Operator situational awareness displays
   6. QSEs have the responsibility for maintaining State Of Charge and reflecting energy capability to ERCOT via telemetry, COP, etc.
   7. For participation in energy, QSEs will submit a single incremental energy price curve from charging (Bid-To-Buy) to discharging (Offer-To-Sell) that is monotonically non-decreasing from the ESR’s negative MW (charging) to positive MW (discharging) range
      1. StartUp, Minimum Energy costs are zero (note in DAM, RUC and RTC, there is no commitment cost, i.e. the optimization engine sees a Single Model ESR as an On-line Resource available for Dispatch)
   8. AS market participation (EMS Upgrade/RTC go-live):

A Single Model ESR can offer to provide any Ancillary Service where it has demonstrated the appropriate qualifications

* 1. Resource Status (EMS Upgrade/RTC go-live):
     1. ON
     2. ONOS
     3. ONTEST
     4. ONEMR
     5. OUT
     6. EMR
     7. EMRSWGR
     8. ONHOLD (An ESR can use this status to preserve their state of charge. When using the ONHOLD status, ESRs should not be discharging into or charging from the ERCOT grid.)
  2. Constraints in optimization engine for DAM, RUC and RTC
     1. Dispatch problem for on-line Single Model ESR (no commitment)
     2. Constraints are the same as on-line conventional Generation Resource with following additional considerations
        1. Limits (LSL, LDL and sometimes HDL,HSL) can be negative
        2. Energy Awards/Base points can be positive or negative values

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

11/20/19 TAC Meeting (Consensus from 11/4/19 BESTF meeting):

1. ERCOT systems should be updated to capture whether or not a Resource is a LDR. This Resource attribute will be captured in ERCOT’s registration systems and passed to other downstream systems (e.g., the Energy Management System (EMS) and Market Management System (MMS)).
2. As an initial phase, the EOC submission window for LDRs should be expanded such that the window ends just prior to the beginning of the Operating Hour. ERCOT’s MMS should be updated to recognize that a Resource is an LDR and have validation to ensure the submission window is only expanded for LDRs.
3. As a second phase consideration, LDRs could be allowed to submit EOCs during the Operating Hour. Intra-Operating Hour EOCs would be a separate submittal type and would only allow updates with the MW quantity and price pairs. Again, ERCOT’s MMS should be updated to recognize that a Resource is an LDR and restrict the new submittal type to only LDRs.

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

None.

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

None.

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