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| NPRR Number | [975](http://www.ercot.com/mktrules/issues/NPRR975) | NPRR Title | Load Forecast Model Transparency |
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| Date | January 30, 2020 |
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| Submitter’s Information |
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| Market Segment | Not Applicable |

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| Comments |

ERCOT understands that Texas Competitive Power Advocates (TCPA) desires ERCOT to provide an explanation when ERCOT selects a Load forecast that is a significant “outlier” on either side of the average of the Load forecasts produced by ERCOT’s several Load forecast models. These explanations will allow Market Participants to better understand and respond to the factors that are driving ERCOT to select the outlier forecasts. The level of specificity of the explanations that ERCOT will be able to provide, without significant impact on its operations, is inversely related to the frequency with which ERCOT will have to produce such an explanation.

ERCOT has evaluated the trigger proposed by TCPA, which would require an explanation during every forecast update (hourly) when the selected forecast for any of the next 168 hours is more than 2% higher than the average of all of ERCOT’s Load forecasts. This trigger would result in much more frequent explanations than ERCOT is able to provide with any specificity, primarily due to larger differences between forecasts in off-peak hours.

In these comments, ERCOT proposes an alternative triggering mechanism that would focus on true outlier occurrences in peak Load hours. Since ERCOT typically selects a particular Load forecast model for an entire day, this should provide a reasonable indication of why a particular “outlier” forecast model was selected for that day, while reducing the number of explanations that might need to be entered to a level that appears to be manageable within ERCOT’s current operations.

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| Revised Proposed Protocol Language |

3.12.1 Seven-Day Load Forecast

(1) ERCOT shall use the Seven-Day Load Forecast to predict hourly Loads for the next 168 hours based on current weather forecast parameters within each Weather Zone. Preparation for Day-Ahead Operations requires an accurate forecast of the Loads for which generation capacity must be secured. The Seven-Day Load Forecast must have a “self-training” mode that allows ERCOT to review historic Load data and provide the ability to retrain the Seven-Day Load Forecast algorithm.

(a) ERCOT will use a variety of Load forecast models and will select the Load forecast model that best fits the expected conditions for each hour of the next 168 hours as the Seven-Day Load Forecast for that hour and may update this selection as expected conditions change.

(b) If the selected forecast used for Day-Ahead Reliability Unit Commitment (DRUC) for the peak Demand hour of any of the next seven days is above or below the average of the forecast models for that hour by the greater of 2000 MW or 4% of the average of the forecast models for that hour, ERCOT shall produce and post to the MIS Public Area an explanation of why the outlier Load forecast model was selected for that hour.

(2) The inputs for the Seven-Day Load Forecast are as follows:

(a) Hourly forecasted weather parameters for the weather stations within the Weather Zones, which are updated at least once per hour; and

(b) Training information based on historic hourly integrated Weather Zone Loads.

(3) ERCOT shall review the forecast suggested by Seven-Day Load Forecast and shall use its judgment, if necessary, to modify the result prior to implementation in the Ancillary Service Capacity Monitor, DRUC, Hour-Ahead Reliability Unit Commitment (HRUC), and Resource adequacy reporting.