|  |  |  |  |
| --- | --- | --- | --- |
| NPRR Number | [980](http://www.ercot.com/mktrules/issues/NPRR980) | NPRR Title | Accounting for NSO Forced Outages and GINR Inactive Projects in the Report on the Capacity, Demand and Reserves in the ERCOT Region |
| Date of Decision | January 29, 2020 |
| Action | Recommended Approval |
| Timeline | Normal |
| Proposed Effective Date | March 1, 2020 |
| Priority and Rank Assigned | Not applicable |
| Nodal Protocol Sections Requiring Revision  | 3.2.6.2.2, Total Capacity Estimate3.14.1.1, Notification of Suspension of Operations |
| Related Documents Requiring Revision/Related Revision Requests | None |
| Revision Description | This Nodal Protocol Revision Request (NPRR) makes two changes to the Report on the Capacity, Demand and Reserves in the ERCOT Region (CDR). First, it clarifies that Forced Outages greater than 180 days, submitted through a Notification of Suspension of Operations (NSO), should be excluded from the CDR capacity estimates for the expected duration of the Forced Outages. Currently, such NSO Outages are not addressed in the CDR capacity estimation methodology. This NPRR also adds language in Section 3.14.1.1 to clarify that the NSO outage information may be published in the CDR.Second, Planning Guide Revision Request (PGRR) 066, Interconnection Request Cancellation and Creation of Inactive Status, which was approved by the ERCOT Board in December 2018, creates a new “Inactive” status for Generation Interconnection and Change Request (GINR) projects. This NPRR addresses the resulting reporting gap by specifying how “Inactive” GINR projects, as well as “Cancelled” projects, are to be treated in the CDR. |
| Reason for Revision |  Addresses current operational issues. Meets Strategic goals (tied to the [ERCOT Strategic Plan](http://www.ercot.com/content/wcm/lists/144926/ERCOT_Strategic_Plan_2019-2023.pdf) or directed by the ERCOT Board). Market efficiencies or enhancements Administrative Regulatory requirements Other: (explain)*(please select all that apply)* |
| Business Case | This NPRR addresses an existing reporting gap in the CDR for operational Generation Resources, and aligns the CDR methodology with PGRR066. |
| Credit Work Group Review | ERCOT Credit Staff and the Credit Work Group (Credit WG) have reviewed NPRR980 and do not believe that it requires changes to credit monitoring activity or the calculation of liability. |
| PRS Decision | On 12/12/19, PRS voted to recommend approval of NPRR980 as amended by the 11/11/19 WMS comments. There was one abstention from the Consumer (Occidental) Market Segment. All Market Segments were present for the vote.On 1/16/20, PRS voted unanimously to endorse and forward to TAC the 12/12/19 PRS Report and Impact Analysis for NPRR980. All Market Segments were present for the vote. |
| Summary of PRS Discussion | On 12/12/19, participants questioned the likelihood of NPRR980 being approved in time to appear within the May 2020 CDR. ERCOT Staff confirmed that NPRR980 is still on track to make the May 2020 report.On 1/16/20, there was no discussion. |
| TAC Decision | On 1/29/20, TAC voted unanimously to recommend approval of NPRR980 as recommended by PRS in the 1/16/20 PRS Report. All Market Segments were present for the vote. |
| Summary of TAC Discussion | On 1/29/20, ERCOT Staff reconfirmed to participants that NPRR980 would be implemented in time to appear within the May 2020 CDR.  |
| ERCOT Opinion | ERCOT supports approval of NPRR980. |
|  |  |
| Sponsor |
| Name | Pete Warnken |
| E-mail Address | Pete.Warnken@ercot.com |
| Company | ERCOT, Inc. |
| Phone Number | 512-248-6705 |
| Cell Number | 512-585-2246 |
| Market Segment | Not applicable |

|  |
| --- |
| **Market Rules Staff Contact** |
| **Name** | Jordan Troublefield |
| **E-Mail Address** | Jordan.Troublefield@ercot.com |
| **Phone Number** | 512-248-6521 |

|  |
| --- |
| **Comments Received** |
| **Comment Author** | **Comment Summary** |
| WMS 111119 | Endorsed NPRR980 while proposing minor revisions |

|  |
| --- |
| Market Rules Notes |

None

|  |
| --- |
| Proposed Protocol Language Revision |

***3.2.6.2.2 Total Capacity Estimate***

(1) The total capacity estimate shall be determined based on the following equation:

**TOTCAP *s ,i* = INSTCAP *s*, *i +* PUNCAP *s, i +* WINDCAP *s, i, r*  + HYDROCAP *s, i* + SOLARCAP*s,*** ***i* + RMRCAP *s,*** ***i* + DCTIECAP *s* + PLANDCTIECAP** *s* **+ SWITCHCAP *s, i* + MOTHCAP *s, i* + PLANNON *s, i* + PLANIRR *s, i, r* – LTOUTAGE s,i – UNSWITCH *s, i* – RETCAP *s, i***

The above variables are defined as follows:

| **Variable** | **Unit** | **Definition** |
| --- | --- | --- |
| TOTCAP *s, i* | MW | *Total Capacity*—Estimated total capacity available during the Peak Load Season *s* for the year *i.* |
| INSTCAP *s, i* | MW | *Seasonal Net Max Sustainable Rating*—The Seasonal net max sustainable rating for the Peak Load Season *s* as reported in the approved Resource Registration process for each operating Generation Resource for the year *i* excluding WGRs, hydro Generation Resource capacity, solar unit capacity, Resources operating under RMR Agreements, and Generation Resources capable of “switching” from the ERCOT Region to a non-ERCOT Region. |
| PUNCAP *s, i* | MW | *Private Use Network Capacity*—The forecasted generation capacity available to the ERCOT Transmission Grid, net of self-serve load, from Generation Resources and Settlement Only Generators (SOGs) in Private Use Networks for Peak Load Season *s* and year *i*. The capacity forecasts are developed as follows. First, a base capacity forecast, determined from Settlement data, is calculated as the average net generation capacity available to the ERCOT Transmission Grid during the 20 highest system-wide peak Load hours for each preceding three year period for Peak Load Season *s* and year *i*. The base capacity forecast is then adjusted by adding the aggregated incremental forecasted annual changes in net generation capacity as of the start of the summer Peak Load Season *s* for forecast year *i* reported for Private Use Networks pursuant to Section 10.3.2.4, Reporting of Net Generation Capacity. This calculation is limited to Generation Resources and SOGs in Private Use Networks (1) with a Resource Commissioning Date that occurs no later than the start of the most current Peak Load Season used for the calculation, and (2) that have not been permanently retired by the start of the most current Peak Load Season used for the calculation. |
| WINDPEAKPCT *s, r* | % | *Seasonal Peak Average Wind Capacity as a Percent of Installed Capacity*—The average WGR capacity available for the summer and winter Peak Load Seasons *s* and region *r*, divided by the installed capacity for region *r*, expressed as a percentage. The Seasonal Peak Average, derived from Settlement data, is first calculated as the average capacity during the 20 highest system-wide peak Load hours for a given year’s summer and winter Peak Load Seasons. The final value is the weighted average of the previous ten eligible years of Seasonal Peak Average values where each year is weighted by its installed capacity. Eligible years include 2009 through the most recent year for which COP data is available for the summer and winter Peak Load Seasons. If the number of eligible years is less than ten, the average shall be based on the number of eligible years available. This calculation is limited to WGRs (1) with a Resource Commissioning Date that occurs no later than the start of the most current Peak Load Season used for the calculation, and (2) that have not been permanently retired by the start of the most current Peak Load Season used for the calculation. |
| WINDCAP *s, i, r* | MW | *Existing WGR Capacity*—The capacity available for all existing WGRs for the summer and winter Peak Load Seasons *s,* year *i*, and region *r*, multiplied by WINDPEAKPCT for summer and winter Peak Load Seasons *s* and region *r*. |
| HYDROCAP*s, i* | MW | *Hydro Unit Capacity*—The average hydro Generation Resource capacity available, as determined from the COP, during the highest 20 peak Load hours for each preceding three year period for Peak Load Season *s* and year *i*. This calculation is limited to hydro Generation Resources (1) with a Resource Commissioning Date that occurs no later than the start of the most current Peak Load Season used for the calculation, and (2) that have not been permanently retired by the start of the most current Peak Load Season used for the calculation. |
| SOLARPEAKPCT *s* | % | *Seasonal Peak Average Solar Capacity as a Percent of Installed Capacity*—The average PVGR capacity available for the summer and winter Peak Load Seasons *s*, divided by the installed capacity, expressed as a percentage. The Seasonal Peak Average, derived from Settlement data, is first calculated as the average capacity during the 20 highest system-wide peak Load hours for a given year’s summer and winter Peak Load Seasons. The final value is the weighted average of the previous three years of Seasonal Peak Average values where each year is weighted by its installed capacity. This calculation is limited to PVGRs (1) with a Resource Commissioning Date that occurs no later than the start of the most current Peak Load Season used for the calculation, and (2) that have not been permanently retired by the start of the most current Peak Load Season used for the calculation. |
| SOLARCAP*s, i* | MW | *Existing PVGR Capacity*—The capacity available for all existing PVGRs for the summer and winter Peak Load Season *s* and year *i*, multiplied by SOLARPEAKPCT for summer and winter Peak Load Seasons *s.* |
| RMRCAP *s, i* | MW | *Seasonal Net Max Sustainable Rating for Generation Resource providing RMR Service*—The Seasonal net max sustainable rating for the Peak Load Season *s* as reported in the approved Resource Registration process for each Generation Resource providing RMR Service for the year *i* until the approved exit strategy for the RMR Resource is expected to be completed. |
| DCTIEPEAKPCT *s* | % | *Seasonal Peak Average Capacity for existing DC Tie Resources as a Percent of Installed DC Tie Capacity*—The average net emergency DC Tie imports for the summer and winter Peak Load Seasons *s*, divided by the total installed DC Tie capacity for Peak Load Seasons *s*, expressed as a percentage. The average net emergency DC Tie imports is calculated for the SCED intervals during which ERCOT declared an Energy Emergency Alert (EEA). This calculation is limited to the most recent single summer and winter Peak Load Seasons in which an EEA was declared. The total installed DC Tie capacity is the capacity amount at the start of the Peak Load Seasons used for calculating the net DC Tie imports. |
| DCTIECAP *s* | MW | *Expected Existing DC Tie Capacity Available under Emergency Conditions*—DCTIEPEAKPCT*s* multiplied by the installed DC Tie capacity available for the summer and winter Peak Load Seasons *s*, adjusted for any known capacity transfer limitations. |
| PLANDCTIECAP *s* | MW | *Expected Planned DC Tie Capacity Available under Emergency Conditions*—DCTIEPEAKPCT*s* multiplied by the maximum peak import capacity of planned DC Tie projects included in the most recent Steady State Working Group (SSWG) base cases, for the summer and winter Peak Load Seasons *s*. The import capacity may be adjusted to reflect known capacity transfer limitations indicated by transmission studies. |
| SWITCHCAP *s, i* | MW | *Seasonal Net Max Sustainable Rating for Switchable Generation Resource*—The Seasonal net max sustainable rating for the Peak Load Season *s* as reported in the approved Resource asset registration process for each Generation Resource for the year *i* that can electrically connect (i.e., “switch”) from the ERCOT Region to another power region. |
| MOTHCAP *s, i* | MW | *Seasonal Net Max Sustainable Rating for Mothballed Generation Resource*—The Seasonal net max sustainable rating for the Peak Load Season *s* as reported in the approved Resource Registration process for each Mothballed Generation Resource for the year *i* based on the lead time and probability information furnished by the owners of Mothballed Generation Resources pursuant to Section 3.14.1.9, Generation Resource Status Updates.If the value furnished by the owner of a Mothballed Generation Resource pursuant to Section 3.14.1.9 is greater than or equal to 50%, then use the Seasonal net max sustainable rating for the Peak Load Season *s* as reported in the approved Resource registration process for the Mothballed Generation Resource for the year *i*. If the value furnished by the owner of a Mothballed Generation Resource pursuant to Section 3.14.1.9 is less than 50%, then exclude that Resource from the Total Capacity Estimate. |
| PLANNON *s, i* | MW | *New, non-IRR Generating Capacity*—The amount of new, non-IRR generating capacity for the Peak Load Season *s* and year *i* that: (a) has a Texas Commission on Environmental Quality (TCEQ)-approved air permit, (b) has a federal Greenhouse Gas permit, if required, (c) has obtained water rights, contracts or groundwater supplies sufficient for the generation of electricity at the Resource, and (d) has a signed Standard Generation Interconnect Agreement (SGIA), or a public, financially-binding agreement between the Resource owner and TSP under which generation interconnection facilities would be constructed; or for a Municipally Owned Utility (MOU) or Electric Cooperative (EC), a public commitment letter to construct a new Resource. New, non-IRR generating capacity is excluded if the Generation Interconnection or Change Request (GINR) project status in the online Resource Integration and Ongoing Operations (RIOO) interconnection services system is set to “Cancelled” or “Inactive.” |
| PLANIRR *s, i, r* | MW | *New IRR Capacity*—For new WGRs, the capacity available for the summer and winter Peak Load Seasons *s,* year *i*, and region *r*, multiplied by WINDPEAKPCT for summer and winter Load Season *s* and region *r*. For new PVGRs, the capacity available for the summer and winter Peak Load Seasons *s* and year *i*, multiplied by SOLARPEAKPCT for summer and winter Load Seasons *s*. New IRRs must have an SGIA or other public, financially binding agreement between the Resource owner and TSP under which generation interconnection facilities would be constructed or, for a MOU or EC, a public commitment letter to construct a new IRR. New IRR capacity is excluded if the GINR project status in the online RIOO interconnection services system is set to “Cancelled,” or “Inactive.” |
| LTOUTAGE *s, i* | MW | *Forced Outage Capacity Reported in a Notification of Suspension of Operations—*For non-IRRs whose operation has been suspended due to a Forced Outage as reported in a Notification of Suspension of Operations (NSO), the sum of Seasonal net max sustainable ratings for Peak Load Seasons *s* for year *i*, as reported in the NSO forms. For IRRs, use the PLANIRR *s, i, r* calculated for each IRR. |
| UNSWITCH *s, i*  | MW | *Capacity of Unavailable Switchable Generation Resource*—The amount of capacity reported by the owners of a switchable Generation Resource that will be unavailable to ERCOT during the Peak Load Season *s* and year *i* pursuant to paragraph (2) of Section 16.5.4, Maintaining and Updating Resource Entity Information. |
| RETCAP *s, i* | MW | *Capacity Pending Retirement*—The amount of capacity in Peak Load Season *s* of year *i* that is pending retirement based on information submitted on an NSO form (Section 22, Attachment E, Notification of Suspension of Operations) pursuant to Section 3.14.1.11, Budgeting Eligible Costs, but is under review by ERCOT pursuant to Section 3.14.1.2, ERCOT Evaluation Process, that has not otherwise been considered in any of the above defined categories. For Generation Resources and SOGs within Private Use Networks, the retired capacity amount is the peak average capacity contribution included in PUNCAP. For reporting of individual Generation Resources and SOGs in the Report on the Capacity, Demand and Reserves in the ERCOT Region, only the summer net max sustainable rating included in the NSO shall be disclosed. |
| *I* | None | Year. |
| *S* | None | Summer and winter Peak Load Seasons for year *i*. |
| *r* | None | Coastal, Panhandle, and Other wind regions. WGRs are classified into regions based on the county that contains their Point of Interconnection (POI). The Coastal region is defined as the following counties: Aransas, Brazoria, Calhoun, Cameron, Kenedy, Kleberg, Matagorda, Nueces, Refugio, San Patricio, and Willacy. The Panhandle region is defined as the following counties: Armstrong, Bailey, Briscoe, Carson, Castro, Childress, Cochran, Collingsworth, Crosby, Dallam, Deaf Smith, Dickens, Donley, Floyd, Gray, Hale, Hall, Hansford, Hartley, Hemphill, Hockley, Hutchinson, Lamb, Lipscomb, Lubbock, Moore, Motley, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Sherman, Swisher, and Wheeler. The Other region consists of all other counties in the ERCOT Region. |

**3.14.1.1 Notification of Suspension of Operations**

(1) Except for the occurrence of a Forced Outage, a Resource Entity must notify ERCOT in writing no less than 150 days prior to the date on which the Resource Entity intends to cease or suspend operation of a Generation Resource for a period of greater than 180 days. If a Generation Resource is to be mothballed on a seasonal basis, the Resource Entity must notify ERCOT in writing no less than 90 days prior to the suspension date and identify its Seasonal Operation Period.

(2) The Resource Entity shall submit a completed Part I and Part II of the NSO (found in Section 22, Attachment E, Notification of Suspension of Operations). The Resource Entity may also complete Part III of the NSO and submit it along with Parts I and II, or may wait to submit Part III up to ten days after ERCOT makes a determination that the proposed suspension of the Generation Resource would result in a performance deficiency for which the Generation Resource has a material impact. Part I of the NSO must include the attestation of an officer of the Resource Entity that the Generation Resource is uneconomic to remain in service as currently designated and will be unavailable for Dispatch by ERCOT for a period specified in the NSO.

(3) A Resource Entity ceasing or suspending operations as a result of a Forced Outage lasting greater than 180 days shall notify ERCOT as soon as practicable. An NSO submitted due to a Forced Outage:

 (a) will not be evaluated for RMR status; and

(b) will not be posted on the MIS, except that information contained in the NSO may be included in reports in accordance with Section 3.2.6.2.2, Total Capacity Estimate.

(4) At least 60 days before the expiration of an existing RMR Agreement, the Resource Entity may apply to renew the RMR Agreement by submitting a new NSO (including both Part I and Part II). Upon receipt of such a renewal request, ERCOT shall update and post to the MIS Secure Area studies as set forth in Section 3.14.1, Reliability Must Run, within 15 Business Days.