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| VCMRR Number | [026](http://www.ercot.com/mktrules/issues/vcmrr026) | VCMRR Title | Related to NPRR970, Reliability Unit Commitment (RUC) Fuel Dispute Process Clarification |
| Date of Decision | February 11, 2020 |
| Action | Approved |
| Timeline  | Normal |
| Effective Date | Upon system implementation of Nodal Protocol Revision Request (NPRR) 970, Reliability Unit Commitment (RUC) Fuel Dispute Process Clarification |
| Priority and Rank Assigned | Not applicable |
| Verifiable Cost Manual Sections Requiring Revision  | Appendix 8: Procedure for evaluating actual fuel prices for Reliability Unit Commitments (RUC) (delete) |
| Related Documents Requiring Revision/Related Revision Requests | NPRR970 |
| Revision Description | This Verifiable Cost Manual Revision Request (VCMRR) aligns Verifiable Cost Manual language with Protocol language proposed in NPRR970, as well as revisions made in NPRR617, Energy Offer Flexibility, by removing Appendix 8.  |
| 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| Business Case | The methodology described in Appendix 8 has been superseded by Protocol revisions made in in NPRR617 and by clarifications proposed in NPRR970. NPRR617 revised Protocol Section 5.7.1.1, RUC Guarantee, to clarify how the startup price and minimum energy price are calculated for purposes of determining the RUC Guarantee. NPRR970 proposes clarifications regarding how fuel prices are used to calculate the RUC Guarantee. Deletion of Appendix 8 will align the ERCOT Protocols and the Verifiable Cost Manual, and help prevent potential confusion regarding the applicable rules governing fuel price disputes. |
| WMS Decision | On 11/6/19, WMS unanimously voted to recommend approval of VCMRR026 as submitted. All Market Segments were present for the vote.On 12/4/19, WMS unanimously voted to endorse and forward to TAC the 11/6/19 WMS Report and Impact Analysis for VCMRR026. All Market Segments were present for the vote. |
| Summary of WMS Discussion | On 11/6/19, there was no discussion. On 12/4/19, there was no discussion. |
| TAC Decision | On 1/29/20, TAC unanimously voted to recommend approval of VCMRR026 as recommended by WMS in the 12/4/19 WMS Report. All Market Segments were present for the vote. |
| Summary of TAC Discussion | On 1/29/20, there was no discussion. |
| ERCOT Opinion | ERCOT supports approval of VCMRR026. |
| Board Decision | On 2/11/20, the ERCOT Board approved VCMRR026 as recommended by TAC in the 1/29/20 TAC Report. |

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| Market Segment | Not applicable |

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| **Comments Received** |
| Comment Author | **Comment Summary** |
| None |  |

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| Market Rules Notes |

Please note that baseline Verifiable Cost Manual language in Appendix 8 has been updated to reflect the incorporation of 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, into the 11/1/19 Verifiable Cost Manual.

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| Proposed Verifiable Cost Manual Language Revision |

**Appendix 8: [RESERVED]**