**APPROVED**

**Minutes of the Wholesale Market Subcommittee (WMS) Meeting**

**ERCOT Austin – 7620 Metro Center Drive – Austin, Texas 78744**

**Wednesday, January 8, 2020– 9:30 a.m.**

Attendance

*Members:*

|  |  |  |
| --- | --- | --- |
| Allen, Thresa | Avangrid Renewables |  |
| Barnes, Bill | Reliant Energy Retail Services |  |
| Bierschbach, Erika | Austin Energy |  |
| Bunch, Kevin | EDF Trading North America |  |
| Carpenter, Jeremy | Tenaska Power Services |  |
| Evans, Mike | Brazos Electric Cooperative |  |
| Franklin, Russell | Garland Power and Light |  |
| Goff, Eric | OPUC | Alt. Rep. for Shawnee Claiborn-Pinto |
| Greer, Clayton | Morgan Stanley |  |
| Gross, Blake | AEP Service Corporation |  |
| Johnson, Anthony | CenterPoint Energy |  |
| Kee, David | CPS Energy |  |
| Lange, Clif | South Texas Electric Cooperative | Via Teleconference |
| Lindberg, Ken | Bryan Texas Utilities |  |
| Mauldin, Jamie | City of Eastland |  |
| McNamara, Grace | Chariot Energy |  |
| Morris, Sandy | Direct Energy |  |
| Nguyen, Andy | LCRA | Alt. Rep. for John Dumas |
| Roberts, Bobby | TNMP |  |
| Sams, Bryan | Calpine Corporation |  |
| Sefa, Fanar | Olin Corporation |  |
| Shaw, Marka | Exelon |  |
| Surendran, Resmi | Shell Energy |  |
| Rich, Katie | Golden Spread Electric Cooperative | Alt. Rep. for Joe Dan Wilson |
| Turner, Lucas | South Texas Electric Cooperative | Alt. Rep. for Clif Lange |
| Velasquez, Ivan | Oncor |  |

The following proxy was assigned:

* Shannon Caraway to Thresa Allen

*Guests:*

|  |  |  |
| --- | --- | --- |
| Ainspan, Malcolm | NRG | Via Teleconference |
| Ashley, Kristy | Customized Energy Solutions |  |
| Baldwin, Stephanie | Softsmiths |  |
| Benson, Mariah | PUCT | Via Teleconference |
| Blakey, Eric | Just Energy | Via Teleconference |
| Boisseau, Heather | LCRA | Via Teleconference |
| Bryant, Mark | PUCT | Via Teleconference |
| Bruce, Mark | Cratylus Advisors |  |
| Cochran, Seth | DC Energy |  |
| Coleman, Diana | CPS Energy |  |
| Daigneault, Ralph | Potomac Economics |  |
| Detelich, David | CPS Energy |  |
| Downey, Marty | Viridity |  |
| Goldwasser, Rachel | Key Capture Energy | Via Teleconference |
| Haley, Ian | Luminant Generation |  |
| Harris, Brenda | Oxy | Via Teleconference |
| Huynh, Thuy | Potomac Economics | Via Teleconference |
| Janicek, Jared | SBEC |  |
| Jewell, Michael | Jewell and Associates | Via Teleconference |
| Jones, Randy | Mountaineer | Via Teleconference |
| Kroskey, Tony | Brazos Electric Cooperative | Via Teleconference |
| Lloyd, Mona | Enel |  |
| Mack, Stephen | Winstead | Via Teleconference |
| McCamant, Frank | McCamant Consulting | Via Teleconference |
| McClellan, Suzi | Good Company and Associates | Via Teleconference |
| Mindham, David | EDPR | Via Teleconference |
| Musher, Danny | Key Capture Energy | Via Teleconference |
| Palani, Anath | Garland Power and Light | Via Teleconference |
| Pappu, Ajay | Invenergy |  |
| Powell, Christian | Pedernales Electric Cooperative |  |
| Rainwater, Kim | Environmental Defense Fund |  |
| Reed, Cyrus | Sierra Club | Via Teleconference |
| Reedy, Steve | Potomac Economics | Via Teleconference |
| Reid, Michael | Air Liquide | Via Teleconference |
| Reid, Walter | Advanced Power Alliance |  |
| Richmond, Michele | TCPA |  |
| Robinson, Rhonda | Calpine | Via Teleconference |
| Siddiqi, Shams | Crescent Power |  |
| Sithuraj, Murali | Austin Energy |  |
| Smith, Caitlin | AB Power Advisors |  |
| Smith, Chase | Southern Power |  |
| Smith, Chris | Austin Energy | Via Teleconference |
| Smith, Chris | Governor of Texas | Via Teleconference |
| Smyth, Scott | DTRG Law | Via Teleconference |
| Tran, Diane | TK Law | Via Teleconference |
| Trevino, Melissa | Oxy |  |
| True, Roy | ACES Power | Via Teleconference |
| Varnell, John | Tenaska | Via Teleconference |
| Wallin, Shane | DME Power | Via Teleconference |
| Watson, Mark | SP Global | Via Teleconference |
| Williams, Wes | BTU | Via Teleconference |
| Wittmeyer, Bob | Longhorn Power |  |
| Younger, Joseph | Texas Reliability Entity | Via Teleconference |

*ERCOT Staff:*

|  |  |  |
| --- | --- | --- |
| Albracht, Brittney |  |  |
| Anderson, Connor |  | Via Teleconference |
| Bigbee, Nathan |  |  |
| Bivens, Carrie |  |  |
| Boswell, Bill |  | Via Teleconference |
| Bracy, Phil |  | Via Teleconference |
| Chen, Jian |  | Via Teleconference |
| Chu, Zhengguo |  | Via Teleconference |
| Clifton, Suzy |  |  |
| Fohn, Douglas |  |  |
| Gonzalez, Ino |  |  |
| Hanson, Kevin |  | Via Teleconference |
| Jones, Dan |  |  |
| Kane, Erika |  | Via Teleconference |
| Khodabaksh, Fred |  | Via Teleconference |
| Mereness, Matt |  |  |
| Mickey, Joel |  |  |
| Morehead, Juliana |  | Via Teleconference |
| Moreno, Alfredo |  |  |
| Phillips, Cory |  |  |
| Rosel, Austin |  | Via Teleconference |
| Ruane, Mark |  |  |
| Sandip, Sharma |  |  |
| Smith, Nathan |  | Via Teleconference |
| Stice, Clayton |  | Via Teleconference |
| Troublefield, Jordan |  | Via Teleconference |

***Unless otherwise indicated, all Market Segments were present for a vote.***

Antitrust Admonition

Suzy Clifton directed attention to the Antitrust Admonition, which was displayed.

Election to 2020 WMS Chair and Vice Chair

Ms. Clifton reviewed the leadership election process codified in the Technical Advisory Committee Procedures and opened the floor for nominations.

**Ivan Velasquez nominated David Kee for 2020 WMS Chair.** Mr. Kee accepted the nomination. **Mr. Kee was named 2020 WMS Chair by acclamation.**

**Marka Shaw nominated Resmi Surendran for 2020 WMS Vice Chair.** Ms. Surendran accepted the nomination. **Ms. Surendran was named 2020 WMS Vice Chair by acclamation.**

Agenda Review

Mr. Kee reviewed items scheduled for a vote and noted changes to the order items would be taken up.

Approval of WMS Meeting Minutes (see Key Documents)[[1]](#footnote-1)

*November 6, 2019*

*December 4, 2019*

**Clayton Greer moved to approve the November 6, 2019 and December 4, 2019 WMS meeting minutes as submitted. Mr. Velasquez seconded the motion. The motion carried unanimously.**

Technical Advisory Committee (TAC) Update and Assignments

Mr. Kee noted that TAC did not meet in December 2019.

ERCOT Operations and Market Items

There were no reports or discussions for this agenda item.

Southern Cross Transmission Directive #7, DC Tie Congestion Management Considerations (see Key Documents)

Matt Mereness reviewed ERCOT's Determination for Directive #7 as reflected in the Whitepaper, "PUC Project No. 46304 Oversight Relating to the Southern Cross Transmission DC Tie Congestion Management Considerations (Directive 7)” and summarized discussions at the May 6, July 3, and September 30, 2019 Congestion Management Working Group (CMWG) meetings and the June 25, 2019 WMS meeting. Shams Siddiqi presented clarifications to ERCOT’s Determination. Some Market Participants opposed to the ERCOT Determination expressed support for a broader scope in evaluating congestion and identifying potential impacts and solutions. In response to Market Participant questions, Nathan Bigbee stated that consideration of using a Constraint Management Plan (CMP) or Remedial Action Scheme (RAS) as a solution would introduce reliability concerns based on the size of the Direct Current Tie (DC Tie). Mark Bruce reminded Market Participants of the extensive discussions of the issues, stated that South Cross Transmission supports ERCOT’s Determination and proposed clarifications as presented, and noted that action on other directives is dependent on Directive #7 advancing through the stakeholder process. Market Participants offered additional clarifications to ERCOT’s Determination.

**Mr. Greer moved to endorse ERCOT's Determination for Directive #7 as reflected in the Whitepaper, "PUC Project No. 46304 Oversight Relating to the Southern Cross Transmission DC Tie Congestion Management Considerations (Directive 7)” as revised by WMS. Ms. Surendran seconded the motion. The motion carried with two objections from the Consumer (OPUC, City of Eastland) Market Segment and three abstentions from the Independent Generator (2) (Exelon, Calpine) and Independent Power Marketer (IPM) (EDF Trading) Market Segments.**

New Protocol Revision Subcommittee (PRS) Referrals (see Key Documents)

*Nodal Protocol Revision Request (NPRR)* *975, Load Forecast Model Transparency*

**Bill Barnes moved to request PRS continue to table NPRR975 for further review by the Wholesale Market Working Group (WMWG). Bryan Sams seconded the motion. The motion carried unanimously.**

*NPRR981, Day-Ahead Market Price Correction Process*

Market Participants requested additional time to review NPRR981 following TAC consideration of NPRR903, Day-Ahead Market Timing Deviations.

**Mr. Sams moved to request PRS continue to table NPRR981 to allow for further review by WMWG. Kevin Bunch seconded the motion. The motion carried unanimously.**

*NPRR984, Change ERS Standard Contract Terms*

**Mr. Barnes moved to request PRS continue to table NPRR984 for further review by the Demand Side Working Group (DSWG). Sandy Morris seconded the motion. The motion carried with one abstention from the IPM (Morgan Stanley) Market Segment.**

NPRR986, BESTF-2 Energy Storage Resource Energy Offer Curves, Pricing, Dispatch, and Mitigation

Sandip Sharma summarized NPRR986 and the 1/6/20 ERCOT comments. Market Participants and ERCOT Staff discussed the Revision Request timeline, noted that Settlement issues are resolved in NPRR971, Replacing the Real-Time Average Incremental Energy Cost, and stated that NPRR986 provides clarity for Energy Storage Resources (ESRs) participating in the ERCOT market. Some Market Participants expressed concern that the benefits of NPRR986 exclude other Resources. Market Participants offered clarifications to NPRR986.

**Mr. Greer moved to endorse NPRR986 as amended by the 1/6/20 ERCOT comments as revised by WMS. Ms. Surendran seconded the motion. The motion carried with two abstentions from the Independent Generator (Calpine, Exelon) Market Segment.**

WMS Revision Requests (see Key Documents)

*Language Review*

*Verifiable Cost Manual Revision Request (VCMRR) 027, Related to NPRR986, BESTF-2 Energy Storage Resource Energy Offer Curves, Pricing, Dispatch, and Mitigation*

**Mr. Greer moved to recommend approval of VCMRR027 as submitted. Mr. Barnes seconded the motion. The motion carried unanimously.**

WMWG (see Key Documents)

David Detelich summarized WMWG activities.

Revision Requests Tabled at PRS, Referred to WMS (see Key Documents)

*NPRR933, Reporting of Demand Response by Retail Electric Providers and Non-Opt-In Entities*

*NPRR947, Clarification to Ancillary Service Supply Responsibility Definition and Improvements to Determining and Charging for Ancillary Service Failed Quantities*

WMS took no action on these items.

*NPRR903, Day-Ahead Market Timing Deviations*

Carrie Bivens summarized NPRR903 and the 12/9/19 Joint comments. Andy Nguyen reviewed the 1/8/20 LCRA comments. Market Participants and ERCOT Staff discussed the potential cost impacts to develop an automated solution for ERCOT to determine Market Participant financial impacts from a manual action or omitted procedure.

**Ms. Surendran moved to endorse NPRR903 as amended by the 12/9/19 Joint comments. Mr. Greer seconded the motion. The motion carried with one abstention from the Independent Retail Electric Provider (IREP) (Direct Energy) Market Segment.**

*NPRR976, Provisions for Resource Entities to Act as a Virtual QSE or Emergency QSE*

Mr. Kee noted the withdrawal of NPRR976.

Congestion Management Working Group (CMWG) see Key Documents

*Draft NPRR, Load Distribution Factor (LDF) Process Update*

Ms. Morris reviewed CMWG activities. Alfredo Moreno summarized concepts for a draft NPRR for Load Distribution Factor (LDF) process update.

DSWG (see Key Documents)

Mona Tierney-Lloyd reviewed DSWG activities.

Supply Analysis Working Group (SAWG) (see Key Documents)

Caitlin Smith reviewed SAWG activities and requested WMS direction on changing the TAC assignment to review the methodology used to determine the Peaker Net Margin (PNM) to review the methodology to determine the Cost of New Entry (CONE). Mr. Kee stated he would present the issue to the January 29, 2020 TAC meeting.

Other Business

*2020 WMS Goals*

Mr. Kee requested Market Participants review the 2019 WMS Goals and provide input for developing 2020 WMS Goals at the February 5, 2020 WMS Meeting. Market Participants discussed the calculations to the Operating Reserve Demand Curve (ORDC), specifically that it did not reach the $9k cap during the summer Energy Emergency Alert (EEA) periods, and requested WMWG review the issues.

*2020 Working Group Leadership*

Mr. Kee encouraged Market Participants to consider the Market Credit Working Group (MCWG) and Market Settlement Working Group (MSWG) Leadership opportunities and reminded Market Participants that 2020 WMS Working Group Leadership would be considered at the February 5, 2020 WMS Meeting.

*Review of Open Action Items*

Market Participants reviewed the Open Action Items list.

*No Report*

* Metering Working Group (MWG)
* MCWG
* MSWG
* Resource Cost Working Group (RCWG)

Adjournment

Mr. Kee adjourned the January 8, 2020 WMS meeting at 11:48 a.m.

1. http://www.ercot.com/calendar/2020/1/8/189310-WMS [↑](#footnote-ref-1)