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| **Date:** | October 6, 2020 |
| **To:** | Board of Directors |
| **From:** | Bob Helton, Technical Advisory Committee (TAC) Chair |
| **Subject:** | Unopposed Revision Requests Recommended by TAC for Approval |

## Issue for the ERCOT Board of Directors

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| **ERCOT Board of Directors Meeting Date:** October 13, 2020  **Item No.:** 2.1 |

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| **Issue:**Consideration of the following Revision Requests (Nodal Protocol Revision Requests (NPRRs) and System Change Request (SCR)) recommended for approval by TAC (with no opposing votes recorded):  * NPRR999, DC Tie Ramp Limitations; * NPRR1027, Removal of Grey-Boxed Language Related to NPRR702, Flexible Accounts, Payment of Invoices, and Disposition of Interest on Cash Collateral; * NPRR1033, Clarification of Financial Security Interest Payment and Withholding Processes Upon Termination of Market Participant Standard Form Agreement; * NPRR1035, DC Tie Schedules Protected Information Expiry and Posting; * NPRR1036, Late Payment Enforcement Provisions; * NPRR1037, Correction to the Settlement of Switchable Generation Resources (SWGRs) Instructed to Switch to ERCOT; * NPRR1038, BESTF-8 Limited Exemption from Reactive Power Requirements for Certain Energy Storage Resources – URGENT; and * SCR811, Addition of Intra-Hour PhotoVoltaic Power Forecast to GTBD Calculation – URGENT. |
| **Background/History:** **Unless otherwise noted: (i) all Market Segments were present for each vote; (ii) for NPRRs, ERCOT Credit Staff and the Credit Work Group (Credit WG) have reviewed the NPRR and do not believe it requires changes to credit monitoring activity or the calculation of liability; and (iii) ERCOT supports the revision request.**   * ***NPRR999, DC Tie Ramp Limitations [ERCOT]***   **Revision Description:** This NPRR revises Section 4.4.4, DC Tie Schedules, and creates new Section 4.4.4.3, Management of DC Tie Schedules due to Ramp Limitations, to clarify that, in those cases where ERCOT determines that system conditions show insufficient ramp capability to meet the sum of all Direct Current Ties’ (DC Ties’) scheduled ramp, ERCOT shall curtail DC Tie Schedules on a last-in first-out basis. Prior to curtailing DC Tie Schedules, if sufficient time exists, ERCOT may request one or more Qualified Scheduling Entities (QSEs) to voluntarily resubmit e-Tags with an adjusted ramp duration.  **Proposed Effective Date:** Upon project implementation of the Intra-Hour Variability (iCAT) Tool  **ERCOT Impact Analysis:** Less than $5k (O&M); no impacts to ERCOT staffing; impacts to Energy Management System (EMS); no impacts to ERCOT business processes; ERCOT grid operations and practices will be updated.  **TAC Decision:** On 9/23/20, TAC voted via roll call to recommend approval of NPRR999 as recommended by PRS in the 9/10/20 PRS Report. There was one abstention from the Independent Power Marketer (IPM) (Shell) Market Segment.   * ***NPRR1027, Removal of Grey-Boxed Language Related to NPRR702, Flexible Accounts, Payment of Invoices, and Disposition of Interest on Cash Collateral [ERCOT]***   **Revision Description:** This NPRR removes grey-boxed language related to NPRR702, Flexible Accounts, Payment of Invoices, and Disposition of Interest on Cash Collateral, from the Protocols.  **Proposed Effective Date:** November 1, 2020  **ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; no impacts to ERCOT computer systems; no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices. (estimated implementation cost savings of $150k-$200k)  **TAC Decision:** On 8/26/20, TAC unanimously voted via roll call to recommend approval of NPRR1027 as recommended by PRS in the 8/13/20 PRS Report.   * ***NPRR1033, Clarification of Financial Security Interest Payment and Withholding Processes Upon Termination of Market Participant Standard Form Agreement [ERCOT]***   **Revision Description:** This NPRR specifies that ERCOT does not have an obligation to pay interest on Cash Collateral balances that belong to former Market Participants upon ERCOT’s determination that Financial Security is no longer necessary to cover the terminated Market Participant’s potential future obligations.  **Proposed Effective Date:** November 1, 2020  **ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; no impacts to ERCOT computer systems; ERCOT business processes will be updated; no impacts to ERCOT grid operations and practices.  **TAC Decision:** On 9/23/20, TAC voted via roll call to recommend approval of NPRR1033 as recommended by PRS in the 9/10/20 PRS Report. There was one abstention from the IPM (Shell) Market Segment.   * ***NPRR1035, DC Tie Schedules Protected Information Expiry and Posting [ERCOT]***   **Revision Description:** This NPRR requires ERCOT to publish all DC Tie Schedules 60 days after the Operating Day.  **Proposed Effective Date:** Upon ERCOT Board approval for Section 1.3.1.1, Items Considered Protected Information, and upon system implementation (Priority 2021; Rank 3230) for remaining language  **ERCOT Impact Analysis:** Between $20k and $40k; no impacts to ERCOT staffing; impacts to Data and Information Products (DAIP), Data Access & Transparency, and External Public; no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices.  **TAC Decision:** On 9/23/20, TAC voted via roll call to recommend approval of NPRR1035 as recommended by PRS in the 9/10/20 PRS Report as amended by the 9/16/20 ERCOT comments. There was one abstention from the IPM (Shell) Market Segment.   * ***NPRR1036, Late Payment Enforcement Provisions [ERCOT]***   **Revision Description:** This NPRR clarifies certain processes associated with “Late Payments” and “Payment Breaches” and aligns Protocol language in Section 16, Registration and Qualification of Market Participants, with language in the Standard Form Market Participant Agreement.  **Proposed Effective Date:** November 1, 2020  **ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; no impacts to ERCOT computer systems; no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices.  **TAC Decision:** On 9/23/20, TAC voted via roll call to recommend approval of NPRR1036 as recommended by PRS in the 9/10/20 PRS Report. There was one abstention from the IPM (Shell) Market Segment.  **Credit WG Review:**  See 8/19/20 Credit WG Comments     * ***NPRR1037, Correction to the Settlement of Switchable Generation Resources (SWGRs) Instructed to Switch to ERCOT [ERCOT]***   **Revision Description:** This NPRR provides a correction to the Settlement of Switchable Generation Resources (SWGRs) when instructed by ERCOT to switch from a non-ERCOT Control Area to the ERCOT Control Area. Specifically, this NPRR includes “Operational Costs” (“OPCs”) incurred by the SWGR in the non-ERCOT Control Area in the calculation of the “Switchable Generation Operating Cost” (“SWOC”) for Resources with approved verifiable costs. OPC is currently included only for Resources without approved verifiable costs.  **Proposed Effective Date:** November 1, 2020  **ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; no impacts to ERCOT computer systems; ERCOT business processes will be updated; no impacts to ERCOT grid operations and practices.  **TAC Decision:** On 9/23/20, TAC voted via roll call to recommend approval of NPRR1037 as recommended by PRS in the 9/10/20 PRS Report. There was one abstention from the IPM (Shell) Market Segment.   * ***NPRR1038, BESTF-8 Limited Exemption from Reactive Power Requirements for Certain Energy Storage Resources - URGENT [ERCOT]***   **Revision Description:** This NPRR establishes a limited exemption from Reactive Power requirements for certain Energy Storage Resources (ESRs). The exemption is available only to an ESR that achieved Initial Synchronization prior to December 16, 2019 (the date NPRR989, BESTF-1 Energy Storage Resource Technical Requirements, was submitted) and applies only to the extent the ESR is unable to comply with the Reactive Power requirements when it is charging. In order to qualify for the exemption, the Resource Entity for the ESR must submit a notarized attestation to ERCOT stating that the ESR would be unable to comply with the Reactive Power requirements without making physical or software changes. The NPRR does not exempt any ESR from the responsibility to provide Reactive Power when discharging.  **Proposed Effective Date:** Upon system implementation of NPRR989  **ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; no impacts to ERCOT computer systems; ERCOT business processes will be updated; no impacts to ERCOT grid operations and practices. (There are no additional impacts beyond what was captured in the Impact Analysis for NPRR989.)  **TAC Decision:** On 9/23/20, TAC voted via roll call to recommend approval of NPRR1038 as recommended by PRS in the 9/10/20 PRS Report. There was one abstention from the IPM (Shell) Market Segment.   * ***SCR811, Addition of Intra-Hour PhotoVoltaic Power Forecast to GTBD Calculation – URGENT [ERCOT]***   **Revision Description:** This SCR updates the formula used by the Resource Limit Calculator to calculate the Generation To Be Dispatched (GTBD) value to include a predicted five-minute solar ramp (PSRR) component. A five-minute solar ramp rate will be calculated from the Intra-Hour PhotoVoltaic Power Forecast (IHPPF) and the Short-Term PhotoVoltaic Power Forecast (STPPF).  **Proposed Effective Date:** Upon system implementation – Priority 2020; Rank 3080  **ERCOT Impact Analysis:** Between $60k and $90k; no impacts to ERCOT staffing; impacts to Market Management Systems (MMS) and EMS; no impacts to ERCOT business processes; ERCOT grid operations and practices will be updated.  **TAC Decision:** On 9/23/20, TAC voted via roll call to recommend approval of SCR811 as recommended by PRS in the 9/10/20 PRS Report. There was one abstention from the IPM (Shell) Market Segment.  The TAC Reports and Impact Analyses for these Revision Requests are included in the [ERCOT Board meeting materials](http://www.ercot.com/calendar/2020/10/13/181581-BOARD).  In addition, these Revision Requests ([NPRRs](http://www.ercot.com/mktrules/issues/nprr) and [SCR](http://www.ercot.com/mktrules/issues/SCR811)) and supporting materials are posted on the ERCOT website. |
| **Key Factors Influencing Issue:** The PRS met, via Webex, discussed the issues, and submitted reports to TAC regarding NPRRs 999, 1027, 1033, 1035, 1036, 1037 and 1038; and SCR811. |
| **Conclusion/Recommendation:** As more specifically described above, TAC recommends that the ERCOT Board approve NPRRs 999, 1027, 1033, 1035, 1036, 1037 and 1038; and SCR811. |

**ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.**

**BOARD OF DIRECTORS RESOLUTION**

WHEREAS, after due consideration of the alternatives, the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) deems it desirable and in the best interest of ERCOT to approve the following Nodal Protocol Revision Requests (NPRRs) and System Change Request (SCR) recommended for approval by TAC:

* NPRR999, DC Tie Ramp Limitations;
* NPRR1027, Removal of Grey-Boxed Language Related to NPRR702, Flexible Accounts, Payment of Invoices, and Disposition of Interest on Cash Collateral;
* NPRR1033, Clarification of Financial Security Interest Payment and Withholding Processes Upon Termination of Market Participant Standard Form Agreement;
* NPRR1035, DC Tie Schedules Protected Information Expiry and Posting;
* NPRR1036, Late Payment Enforcement Provisions;
* NPRR1037, Correction to the Settlement of Switchable Generation Resources (SWGRs) Instructed to Switch to ERCOT;
* NPRR1038, BESTF-8 Limited Exemption from Reactive Power Requirements for Certain Energy Storage Resources – URGENT; and
* SCR811, Addition of Intra-Hour PhotoVoltaic Power Forecast to GTBD Calculation – URGENT.

THEREFORE, BE IT RESOLVED, that the ERCOT Board hereby approves NPRRs 999, 1027, 1033, 1035, 1036, 1037 and 1038; and SCR811.

**CORPORATE SECRETARY’S CERTIFICATE**

I, Vickie G. Leady, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its October 13, 2020 urgent meeting by teleconference, the ERCOT Board passed a motion approving the above Resolution by \_\_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_ day of October 2020.

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Vickie G. Leady

Assistant Corporate Secretary