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| NPRR Number | [1053](http://www.ercot.com/mktrules/issues/nprr1053) | NPRR Title | BESTF-9 Exemption from Ancillary Service Supply Compliance Requirements for Energy Storage Resources Affected by EEA Level 3 Charging Suspensions |
| Date Posted | | October 28, 2020 | |
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| Requested Resolution | | Normal | |
| Nodal Protocol Sections Requiring Revision | | 8.1.1.3, Ancillary Service Capacity Compliance Criteria | |
| Related Documents Requiring Revision/Related Revision Requests | | None | |
| Revision Description | | This Nodal Protocol Revision Request (NPRR) establishes an exemption from Ancillary Service supply compliance requirements for any Qualified Scheduling Entity (QSE) representing an Energy Storage Resource (ESR) whose ability to charge is restricted during a Level 3 Energy Emergency Alert (EEA) event.  The NPRR clarifies that the compliance exemption does not impact the QSE’s financial responsibility due to the Ancillary Service insufficiency.  Upon implementation of Real-Time Co-optimization of Energy and Ancillary Services (RTC), these provisions will no longer be necessary, and the language inserted by this NPRR will be removed. | |
| 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 | | Subsection (m) of P.U.C. SUBST. R. 25.501 states: “The owner or operator of electric storage equipment or facilities shall not make purchases of electricity for storage during a system emergency declared by ERCOT unless ERCOT directs that such purchases occur.” As a result of this restriction, during an EEA Level 3 event (and potentially after such an event) an ESR may not be able to follow an Ancillary Service instruction or maintain a state of charge that would ensure the Resource has the capability to meet its Ancillary Service Resource Responsibility. Given this possibility, this NPRR establishes conditions that must be met in order for the QSE to not be considered out of compliance for failure to provide Ancillary Service.  This NPRR is written to be consistent with Key Topic and Concept (KTC) 15-7, which achieved consensus support at the Battery Energy Storage Task Force (BESTF) and was subsequently approved by the Technical Advisory Committee (TAC) on July 29, 2020. | |

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| Sponsor | |
| Name | Sandip Sharma / Colleen Frosch |
| E-mail Address | [Sandip.sharma@ercot.com](mailto:Sandip.sharma@ercot.com); [Colleen.frosch@ercot.com](mailto:Colleen.frosch@ercot.com) |
| Company | ERCOT |
| Phone Number | 512-248-4298; 512-248-4219 |
| Cell Number |  |
| Market Segment | Not applicable |

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| **Market Rules Staff Contact** | |
| **Name** | Cory Phillips |
| **E-Mail Address** | [Cory.phillips@ercot.com](mailto:Cory.phillips@ercot.com) |
| **Phone Number** | 512-248-6464 |

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| **Market Rules Notes** |

Please note the following NPRRs also propose revisions Section 8.1.1.3:

* NPRR1011, RTC – NP8: Performance Monitoring
* NPRR1040, Compliance Metrics for Ancillary Service Supply Responsibility

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| Proposed Protocol Language Revision |

8.1.1.3 Ancillary Service Capacity Compliance Criteria

(1) ERCOT shall provide each QSE representing Resources a capacity summary containing as a minimum the same general information required in Section 6.5.7.5, Ancillary Services Capacity Monitor, except specific to only the QSE. The summary shall be updated with calculations every ten seconds by ERCOT and then provided to the QSE every five minutes using the MIS Certified Area.

(2) ERCOT shall continuously measure the overall performance of each QSE in providing each Ancillary Service by comparing the sum of each of the QSE’s Resources’ telemetered Ancillary Services Resource Responsibility with the QSE’s total Ancillary Service responsibility. If the comparison indicates the QSE is not providing sufficient capacity to meet its Ancillary Services responsibility, ERCOT shall notify the QSE via the MIS Certified Area.

(3) The QSE, within ten minutes of receiving the insufficient capacity notification from ERCOT, the QSE must:

(a) If due to a telemetry issue, correct the telemetered Ancillary Services Resource Responsibility to provide sufficient capacity; or

(b) Must provide both appropriate justification for not satisfying their Ancillary Service Obligation and a plan to correct the shortfall that is acceptable with the ERCOT operator. ERCOT shall report non-compliance of Ancillary Service capacity requirements to the Reliability Monitor for review.

(4) If the QSE for an Energy Storage Resource (ESR) that was subject to a charging restriction during an EEA Level 3 event informs ERCOT no later than the earlier of one hour before the beginning of the ESR’s Ancillary Service Resource Responsibility or 30 minutes after the end of the EEA Level 3 event that the ESR’s Ancillary Service Resource Responsibility needs to be replaced due to the charging restriction, then the QSE shall be deemed to have complied with its Ancillary Service Supply Responsibility for a time period following the EEA Level 3 event that is equal to the duration of the suspended charging period during the EEA Level 3 event. However, nothing in this paragraph exempts the QSE from any charge under Section 6.7.3, Charges for Ancillary Service Capacity Replaced Due to Failure to Provide, or any other Settlement consequence due to the Ancillary Service insufficiency.

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| [NPRR1053: Delete paragraph (4) above upon system implementation of the Real-Time Co-optimization (RTC) Project:] |