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| **Date:** | April 6, 2021 |
| **To:** | Board of Directors |
| **From:** | Clif Lange, 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:** April 13, 2021  **Item No.:** 2.1 |

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| **Issue:**Consideration of the following Revision Requests (Nodal Protocol Revision Requests (NPRRs), Nodal Operating Guide Revision Request (NOGRR) and Other Binding Document Revision Request (OBDRR)) recommended for approval by TAC (with no opposing votes recorded):  * NPRR1023, Change to CRR Repossession Process; * NPRR1045, Transmission Operator Definition and Designation; * NPRR1057, Modification to Real-Time Hub Price Formulas for Fully De-Energized Hubs; * NPRR1059, Ability for MOUs and ECs to Send Non-BUSIDRRQ Interval Data; * NPRR1065, Implementation Adjustment for NPRR917; * NPRR1066, Interconnection of Existing Generation Owned by a Municipally Owned Utility (MOU) or Electric Cooperative (EC) Transferring Load into the ERCOT System; * NPRR1069, Align Ancillary Service Responsibility for ESRs with NPRR987 – URGENT; * NOGRR219, Related to NPRR1045, Transmission Operator Definition and Designation; and * OBDRR028, Related to NPRR1069, Align Ancillary Service Responsibility for ESRs with NPRR987. |
| **Background/History:** **Unless otherwise noted: (i) all Market Segments participated in 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.**   * ***NPRR1023, Change to CRR Repossession Process [ERCOT]***   **Revision Description:** This NPRR modifies the way that ERCOT handles the repossession of a Congestion Revenue Right (CRR) portfolio resulting from a Market Participant default. The current process of offering the repossessed CRRs in a one-time auction may not fully realize the potential value of the repossessed CRR portfolio, which can in turn result in increased uplift to the market. This NPRR establishes a means for liquidating a repossessed CRR portfolio over time by utilizing the Financial Security held by ERCOT for the Defaulting CRR Account Holder for Settlement purposes. This NPRR also modifies the process for forfeiture of CRRs resulting from non-payment or late payment of an Invoice by a CRR Account Holder, and proposes liquidating forfeited CRRs in the same manner as repossessed CRRs.  **Proposed Effective Date:** Upon system implementation – Priority 2022; Rank 3500  **ERCOT Impact Analysis:** Between $250k and $350k; no impacts to ERCOT staffing; impacts to CRR; ERCOT business processes will be updated; no impacts to ERCOT grid operations and practices.  **TAC Decision:** On 3/24/21, TAC unanimously voted via roll call to recommend approval of NPRR1023 as recommended by PRS in the 3/11/21 PRS Report.  **Credit WG:** See 3/29/21 Credit WG comments   * ***NPRR1045, Transmission Operator Definition and Designation [ERCOT]***   **Revision Description:** This NPRR moves and revises the definition of Transmission Operator (TO) from the Nodal Operating Guide to the Protocols and adds new Section 16.19, Designation of Transmission Operators, that clarifies the designation process and basic qualifications for TOs. This NPRR also replaces references to “designated agent” in Section 6.5.7.8, Dispatch Procedures, with the term “TO.”  **Proposed Effective Date:** May 1, 2021  **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 3/24/21, TAC unanimously voted via roll call to recommend approval of NPRR1045 as recommended by PRS in the 2/11/21 PRS Report as amended by the 3/15/21 ERCOT comments.   * ***NPRR1057, Modification to Real-Time Hub Price Formulas for Fully De-Energized Hubs [ERCOT]***   **Revision Description:** This NPRR revises paragraph (2) of Section 6.6.1.5, Hub LMPs, to apply the Hub Locational Marginal Price (LMP) formulas to the Panhandle 345 kV Hub and the Lower Rio Grande Valley 138/345 kV Hub. In the case of the Lower Rio Grande Valley 138/345 kV Hub, this proposed change would only apply after implementation of NPRR941, Create a Lower Rio Grande Valley Hub. The proposed revisions also eliminate the portions of Hub Real-Time Settlement Point Prices (RTSPPs) formulas that are designed to address the condition of all Hub Buses within a Hub being de-energized. The RTSPP logic is redundant with what occurs in the calculation of LMPs and the formulas are unclear regarding how to manage the case in which all the Hub Buses are de-energized for only a portion of a 15-minute Settlement Interval.  **Proposed Effective Date:** Upon system implementation – Priority 2021; Rank 3310  **ERCOT Impact Analysis:** Between $15k and $30k; no impacts to ERCOT staffing; impacts to Market Management Systems (MMS); no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices.  **TAC Decision:** On 3/24/21, TAC unanimously voted via roll call to recommend approval of NPRR1057 as recommended by PRS in the 2/11/21 PRS Report.   * ***NPRR1059, Ability for MOUs and ECs to Send Non-BUSIDRRQ Interval Data [Nueces]***   **Revision Description:** This NPRR creates the ability to send interval readings for non-Interval Data Recorder (IDR) Meters, such as residential accounts with consumption under 700 kW, to be able to settle on actual usage/generation instead of the Load Profile.  **Proposed Effective Date:** May 1, 2021  **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 3/24/21, TAC unanimously voted via roll call to recommend approval of NPRR1059 as recommended by PRS in the 2/11/21 PRS Report.   * ***NPRR1065, Implementation Adjustment for NPRR917 [ERCOT]***   **Revision Description:** This NPRR strikes a sentence from Section 6.6.3.9, Real-Time Payment or Charge for Energy from a Settlement Only Distribution Generator (SODG) or a Settlement Only Transmission Generator (SOTG), that describes the energy volumes for a Settlement Only Generator (SOG) subject to nodal vs. zonal pricing and replaces that sentence with a formula; revises the name and definition of a related billing determinant, from “OFSOG” to “MEBSOG,” to more accurately describe the data it represents; and adjusts the Default Uplift Settlement described in paragraph (2) of Section 9.19.1, Default Uplift Invoices, to combine SOG generation with other generation for the Counter-Party.  **Proposed Effective Date:** Upon system implementation of NPRR917, Nodal Pricing for Settlement Only Distribution Generators (SODGs) and Settlement Only Transmission Generators (SOTGs)  **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 3/24/21, TAC unanimously voted via roll call to recommend approval of NPRR1065 as recommended by PRS in the 3/11/21 PRS Report.   * ***NPRR1066, Interconnection of Existing Generation Owned by a Municipally Owned Utility (MOU) or Electric Cooperative (EC) Transferring Load into the ERCOT System [ERCOT]***   **Revision Description:** This NPRR grants ERCOT the discretion to apply existing standards that are applicable to older Generation Resources registered with ERCOT (a “grandfathered” standard) to an existing generation unit owned by a Municipally Owned Utility (MOU) or Electric Cooperative (EC) that is transferring Load into ERCOT and seeks to interconnect the existing generation unit to the ERCOT Transmission Grid in conjunction with the Load transfer. ERCOT will only apply a grandfathered standard if the MOU or EC provides a written explanation as to why it cannot comply with the standard imposed on new Generation Resources, and demonstrates to ERCOT’s satisfaction that allowing the generation unit to comply with the grandfathered standard is reasonable and will not create a risk to reliability of the ERCOT System. This NPRR also clarifies that, should an MOU or EC interconnect an older generation unit to the ERCOT Transmission System as part of a Load integration, the unit will not qualify the MOU or EC to receive Pre-Assigned Congestion Revenue Rights (PCRRs).  **Proposed Effective Date:** May 1, 2021  **ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; no impacts to ERCOT computer systems; no impacts to ERCOT business processes; ERCOT grid operations and practices will be updated.  **TAC Decision:** On 3/24/21, TAC unanimously voted via roll call to recommend approval of NPRR1066 as recommended by PRS in the 3/11/21 PRS Report.   * ***NPRR1069, Align Ancillary Service Responsibility for ESRs with NPRR987 – URGENT [ERCOT]***   **Revision Description:** This NPRR provides clarification to Settlement billing determinants to ensure that the capacity for an Energy Storage Resource (ESR) is not counted in the Off-Line Reserve Imbalance of the Real-Time Ancillary Service Imbalance Payment or Charge.  **Proposed Effective Date:** Upon system implementation of NPRR987, BESTF-3 Energy Storage Resource Contribution to Physical Responsive Capability and Real-Time On-Line Reserve Capacity Calculations.  **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 3/24/21, TAC unanimously voted via roll call to recommend approval of NPRR1069 as recommended by PRS in the 3/11/21 PRS Report and the Revised Impact Analysis for NPRR1069.   * ***NOGRR219, Related to NPRR1045, Transmission Operator Definition and Designation [ERCOT]***   **Revision Description:** This NOGRR removes the definition of TO from the Nodal Operating Guide because it is being moved to the ERCOT Protocols by NPRR1045. This NOGRR also clarifies existing language relating to Load shed obligations and removes the Load Shed Table from the Nodal Operating Guide. Instead, the Load Shed Table will be posted on the ERCOT website.  **Proposed Effective Date:** May 1, 2021 (Section 1.4); Upon system implementation (all remaining language)  **ERCOT Impact Analysis:** Less than $5k (O&M); no impacts to ERCOT staffing; impacts to External Public; ERCOT business processes will be updated; no impacts to ERCOT grid operations and practices.  **TAC Decision:** On 3/24/21, TAC unanimously voted via roll call to recommend approval of NOGRR219 as recommended by ROS in the 2/4/21 ROS Report with a recommended effective date of 5/1/21 for language in Section 1.4, Definitions, and upon system implementation for all remaining language.   * ***OBDRR028, Related to NPRR1069, Align Ancillary Service Responsibility for ESRs with NPRR987 [ERCOT]***   **Revision Description:** This OBDRR clarifies Operating Reserve treatment of ESR capacity.  **Proposed Effective Date:** Upon system implementation of NPRR1069  **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. (There are no additional impacts to this NPRR beyond what was captured in the Impact Analysis for NPRR1069.)  **TAC Decision:** On 3/24/21, TAC unanimously voted via roll call to recommend approval of OBDRR028 as submitted and the Impact Analysis for OBDRR028.  The TAC Reports and Impact Analyses for these Revision Requests are included in the [ERCOT Board meeting materials](http://www.ercot.com/calendar/2021/4/13/214058-BOARD).  In addition, these Revision Requests ([NPRRs](http://www.ercot.com/mktrules/issues/nprr), [NOGRR](http://www.ercot.com/mktrules/issues/nogrr), and [OBDRR](http://www.ercot.com/mktrules/issues/obdrr)) 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 1023, 1045, 1057, 1059, 1065, 1066 and 1069.  The ROS met, via Webex, discussed the issues, and submitted a report to TAC regarding NOGRR219.  The WMS met, via Webex, discussed the issues, and submitted reports to TAC regarding SMOGRR024.  The TAC discussed the issues and recommended approval of OBDRR028. |
| **Conclusion/Recommendation:** As more specifically described above, TAC recommends that the ERCOT Board approve NPRRs 1023, 1045, 1057, 1059, 1065, 1066 and 1069; NOGRR219; and OBDRR028. |

**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), Nodal Operating Guide Revision Request (NOGRR), and Other Binding Document Revision Request (OBDRR) recommended for approval by TAC:

* NPRR1023, Change to CRR Repossession Process;
* NPRR1045, Transmission Operator Definition and Designation;
* NPRR1057, Modification to Real-Time Hub Price Formulas for Fully De-Energized Hubs;
* NPRR1059, Ability for MOUs and ECs to Send Non-BUSIDRRQ Interval Data;
* NPRR1065, Implementation Adjustment for NPRR917;
* NPRR1066, Interconnection of Existing Generation Owned by a Municipally Owned Utility (MOU) or Electric Cooperative (EC) Transferring Load into the ERCOT System;
* NPRR1069, Align Ancillary Service Responsibility for ESRs with NPRR987 – URGENT;
* NOGRR219, Related to NPRR1045, Transmission Operator Definition and Designation; and
* OBDRR028, Related to NPRR1069, Align Ancillary Service Responsibility for ESRs with NPRR987.

THEREFORE, BE IT RESOLVED, that the ERCOT Board hereby approves NPRRs 1023, 1045, 1057, 1059, 1065, 1066 and 1069; NOGRR219; and OBDRR028.

**CORPORATE SECRETARY’S CERTIFICATE**

I, Vickie G. Leady, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its April 13, 2021 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 April 2021.

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Vickie G. Leady

Assistant Corporate Secretary