



Item 7.2: Passport Program Update

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Urgent Board of Directors Meeting

ERCOT Public

August 10, 2021

Passport Update

- Pre-Passport Update
- Previous Plan for Passport Delivery
- New Delivery Sequence
- Next Steps

In-Flight Pre-Passport Projects

ESR: Energy Storage Resource
BES: Battery Energy Storage
DGR: Distributed Generation Resource

- **PR325-01 Fast-Frequency Response (FFR) Advancement** (Gated to Execution on 6/22/2021)
 - **Planned go-live for December 2021**
 - NPRR863, NPRR1015, NOGRR187

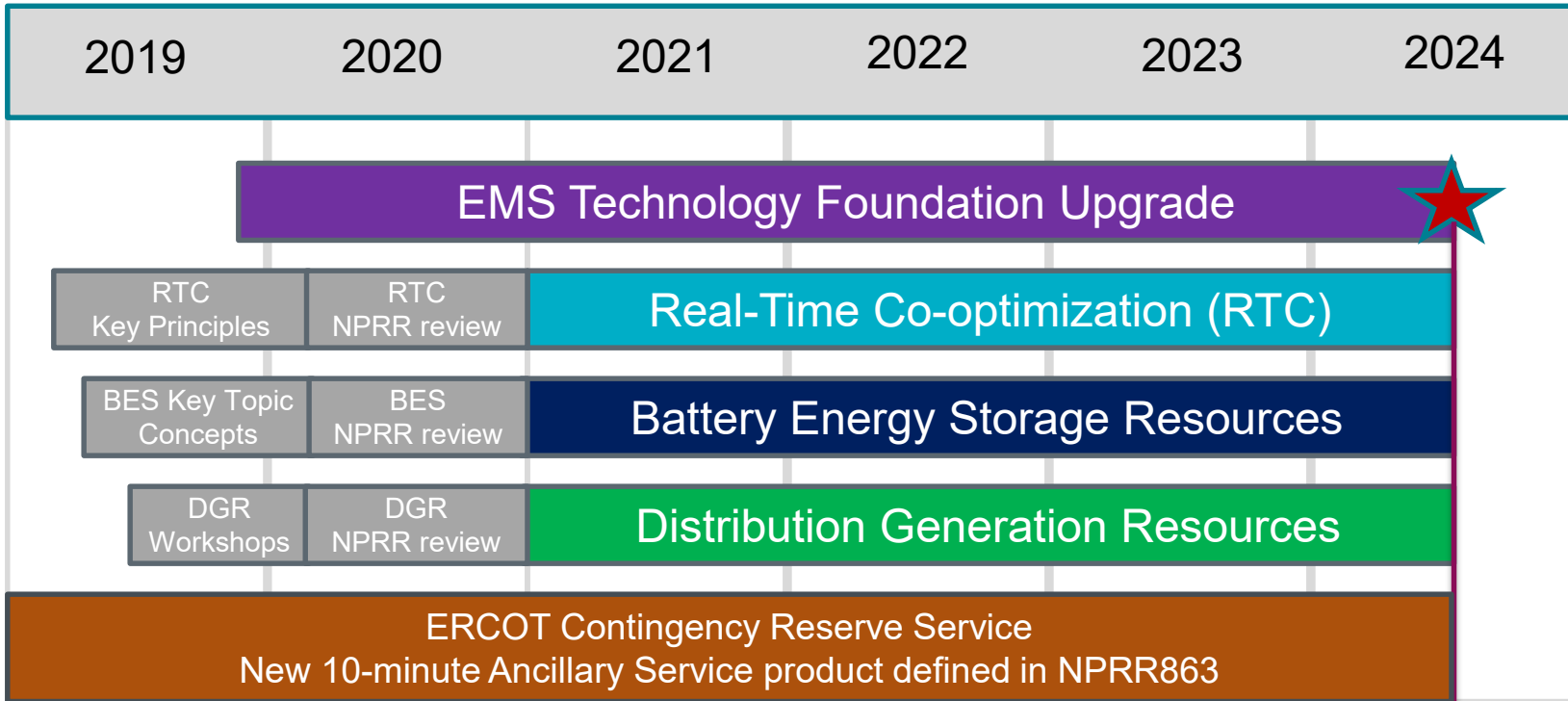
- **PR354-01 DGR/DESR Implementation** (Gated to execution 7/30/2021)
 - **Planned go-live 2022-R1 (February 2022)**
 - NPRR917 – Nodal Pricing for SODGs and SOTGs
 - NPRR1016 – Clarify Requirements for DGRs and Distribution Energy Storage *Resources*
 - NPRR1052 – Load Zone Pricing for Settlement Only Storage Prior to NPRR995
 - NPRR1065 – Implementation Adjustment for NPRR917
 - PGRR082 – Revise Section 5 and Establish Small Generation Interconnection Process
 - Related RRs – NOGRR212, RRGRR026

- **PR353-01 BES Combo Model Implementation (On-Hold)**
 - **Target go-live TBD**
 - NPRR963 – Base Point Deviation Settlement & Deployment Performance Metrics for ESRs (Combo Model)
 - NPRR987 – BESTF-3 ESR Contribution to Physical Responsive Capability and RT On-Line Reserve Capacity Calcs
 - NPRR989 – BESTF-1 ESR Technical Requirements
 - NPRR1002 – BESTF-5 ESR Single Model Registration and Charging Restrictions in Emergency Conditions
 - NPRR1026 – BESTF-7 Self-Limiting Facilities and Self-Limiting Resources
 - NPRR1038 – BESTF-8 Limited Exemption from Reactive Power Requirements for Certain ESRs
 - NPRR1069 – Align Ancillary Service Responsibility for ESRs with NPRR987
 - Related RRs – NOGRR204, NOGRR208, OBDRR017, PGRR081, RRGRR023

ERCOT is working to define the timing to lift the DGR moratorium based on the target go-live that will be determined over the next few weeks



Previous Plan for Passport Delivery

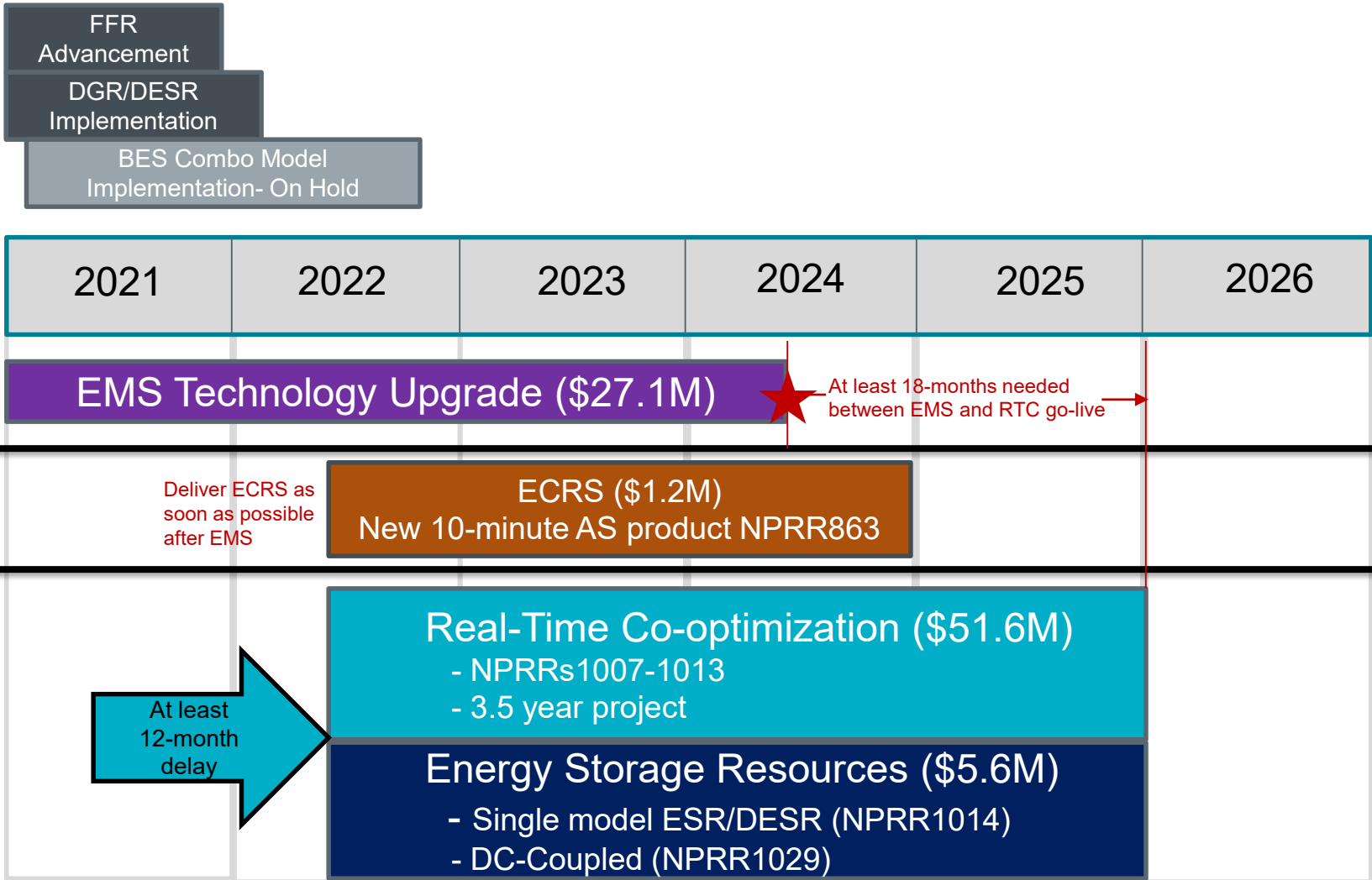


(Dollars in Millions)

2024 Passport Program	Budget
Real-Time Co-Optimization (RTC)	\$ 51.6
Energy Management System (EMS) Upgrade 2024	27.1
Battery Energy Storage (BES)	5.1
NPRR 863 ERCOT Contingency Reserve Service (ECRS)	1.2
Distributed Generation Resources (DGR)	0.5
Passport Program Projects	\$ 85.5



New delivery “sequence” for de-coupled Passport scope



Delivery sequence priorities

Continue in-flight work:

- FFR, DGR/DESR, BES Combo Model, and deliver EMS Upgrade

Expedite ECRS:

- Separate the ECRS project from Passport/RTC
- Deliver as separate project as soon as possible after EMS upgrade

Place remaining Passport scope on-hold for future consideration:

- Remaining scope is RTC, single-model ESR, and DC-Coupled single-model ESR
- Placing program on-hold for at least 1-year (hibernation)
 - ERCOT has already begun to place sub-projects “on-hold”
- Allows room for other work (such as securitization work for House Bill 4492) to proceed and for longer-term policy decisions to be made before potentially resuming at a future date

Next Steps

- ERCOT plans to discontinue “Passport updates” to Board after this meeting.
 - Passport scope items will continue to be maintained as future projects on the Project Priority List.
- At August TAC, ERCOT will provide a final Passport update and propose formally retiring the RTC Task Force (RTCTF).
 - Chartered deliverables were completed in December 2020 related to RTC Protocols.
 - As with other retired task forces, the RTCTF webpage and content will remain available.
- ERCOT has appreciated the time, expertise, and collaboration from the PUCT, IMM, and Market Participants on this effort and will stand ready as needed.
- *Questions?*