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| NPRR Number | [1087](http://www.ercot.com/mktrules/issues/NPRR1087) | NPRR Title | Prohibit Participation of Critical Loads and Generation Resource Support Loads as Load Resources or ERS Resources |
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| Date | August 10, 2021 |
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| Submitter’s Information |
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| Market Segment | Not applicable |

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| Comments |

The Texas Advanced Energy Business Alliance (TAEBA) appreciates the opportunity to provide feedback on Nodal Protocol Revision Request (NPRR) 1087, and supports the points raised by the Texas Industrial Energy Consumers (TIEC), Enchanted Rock, and Enel X North America (Enel X). TAEBA shares ERCOT’s goal of ensuring that critical Loads are not voluntarily curtailed, thereby exacerbating supply problems.  The proposals of Enel X and Enchanted Rock address this without unnecessarily excluding valuable, curtailable Loads. Specifically, as these commenters have pointed out, the NPRR as drafted would unnecessarily cut off from participation as Load Resources or as Emergency Response Service (ERS) Resources some facilities whose participation does not threaten loss of critical Loads. Given that ERS is the first line of defense against involuntary Load shed events, such a blunt approach to protecting critical Loads risks creating adverse impacts. The revisions recommended by Enel X, incorporating comments from TIEC and Enchanted Rock, appropriately balance the need to avoid disrupting critical infrastructure while maximizing participation by Load Resources and ERS Resources, thereby reducing the potential for involuntary Load shed events.

Demand response is critical and ERS is a well-established emergency Demand response program that has helped ensure grid reliability for years. In the recent winter event, ERS was deployed by ERCOT as one of its first lines of defense as generation units were tripping off. In Summer 2019, ERS deployment enabled ERCOT to avoid going beyond Energy Emergency Alert (EEA) Level 1. ERS also kept the lights on during the Polar Vortex event in 2014. While ERS is not a “silver bullet” and by itself would not have kept the system from reaching EEA Level 3 during Winter Storm Uri given the severity of the event, Demand response is an integral part of the reliability toolbox that grid operators can use when stabilizing the system. In fact, Winter Storm Uri pointed out the need for *more* interruptible circuits to enable distribution feeder outage rolling. With the significant increase in the number of registered Critical Load Customers, the number of interruptible circuits will decrease, moving in the opposite direction of what is needed to avoid adverse impacts. We need more interruptible circuits or more interruptible Load.  Artificially forcing interruptible Load stay online (or preventing it from participating as a Load Resource or ERS Resource) because is it behind the same Point of Interconnection (POI) as a critical Load exacerbates the problem and could lead to even larger problems.

As TIEC, Enchanted Rock, and Enel X have pointed out, restricting participation by Load identified as “Critical” is a blunt and overly broad prohibition that will limit, rather than enhance, participation by Load and ERS Resources. This is because non-critical Loads can be located behind the same Electric Service Identifier (ESI ID) with critical Loads; Customers can and do put in place plans to ensure that only non-critical Load is curtailed. Furthermore, Customers with critical Loads often install backup generators to ensure continued operation during grid disruptions. Again, such facilities have plans in place to ensure that their ERS or Load Resource participation does not come at the expense of maintaining reliable operations for their critical Load. These market participation options provide an important incentive for Customers to install backup generation, which supports the overall resilience of the ERCOT grid.

TAEBA appreciates ERCOT’s instinct to ensure that critical Loads are protected during emergency events. However, the best line of defense against loss of both critical and non-critical Loads is to enable robust participation by Load Resources and ERS Resources. The revisions recommended by Enel X, incorporating feedback from TIEC and Enchanted Rock, would provide ERCOT with visibility into curtailment plans to ensure that critical Loads are not put at risk by the participation of an ESI ID that includes some critical Load in ERS or as a Load Resource.

TAEBA appreciates ERCOT’s consideration of our input on NPRR1087.

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| **Revised Cover Page Language** |

None.

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| Revised Proposed Protocol Language |

None.