**DRAFT**

**Minutes of the Wholesale Market Subcommittee (WMS) Meeting**

**Webex Only**

**Wednesday, October 6, 2021– 9:30 a.m.**

Attendance

*Members:*

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Barnes, Bill | Reliant Energy Retail Services |  |
| Bierschbach, Erika | Austin Energy |  |
| Burke, Tom | Invenergy |  |
| Carpenter, Jeremy | Tenaska Power Services |  |
| Cochran, Seth | DC Energy |  |
| Detelich, David | CPS Energy |  |
| Downey, Marty | Jupiter Power |  |
| Dumas, John | Lower Colorado River Authority |  |
| Evans, Mike | Brazos Electric Cooperative |  |
| Farhangi, Anoush | Demand Control 2 |  |
| Franklin, Russell | Garland Power & Light |  |
| Goff, Eric | OPUC | Alt. Rep. for Shawnee Claiborn-Pinto |
| Greer, Clayton | Morgan Stanley |  |
| Gross, Blake | AEP Service Corporation |  |
| Haley, Ian | Luminant Generation |  |
| Johnson, Anthony | CenterPoint Energy |  |
| Lange, Clif | South Texas Electric Cooperative |  |
| Lindberg, Ken | Bryan Texas Utilities |  |
| Mauldin, Jamie | City of Eastland |  |
| Roberts, Bobby | TNMP |  |
| Sandidge, Clint | Calpine Energy Solutions |  |
| Simpson, Lori | Exelon |  |
| Smith, Mark | Nucor |  |
| Surendran, Resmi | Shell Energy |  |
| Turner, Lucas | South Texas Electric Cooperative | Alt. Rep. for Clif Lange |
| Velasquez, Ivan | Oncor |  |
| Wilson, Joe Dan | Golden Spread Electric Cooperative |  |

*Guests:*

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|  |  |  |
| Ainspan, Malcolm | NRG |  |
| Aldridge, Ryan | AB Power Advisors |  |
| Alford, Anthony | CenterPoint Energy |  |
| Allen, Thresa | Avangrid Renewables |  |
| Anderson, Connor | AB Power Advisors |  |
| Anderson, Kevin | Customized Energy Solutions |  |
| Ashley, Kristy | Customized Energy Solutions |  |
| Bell, Brad | Solar Proponent |  |
| Benson, Mariah | PUCT |  |
| Bivens, Carrie | Potomac Economics |  |
| Blackburn, Don | Hunt Energy Network Power Marketing |  |
| Boisseau, Heather | Lower Colorado River Authority |  |
| Bruce, Mark | Cratylus Advisors |  |
| Bunch, Kevin | EDF Trading North America |  |
| Bunyan, Michael | Jupiter Power |  |
| Calcagni, Anthony | DC Energy |  |
| Coleman, Diana | CPS Energy |  |
| Cripe, Ramsey | Schneider Engineering |  |
| Daigneault, Ralph | Potomac Economics |  |
| Deleon, Amanda | Tenaska Power Services |  |
| Dreyfus, Mark | MD Energy Consulting |  |
| Duensing, Allison | Saracen Energy |  |
| Foreman, Mark | Tenaska Power Services |  |
| Fox, Kip | AEP |  |
| Hanson, Kevin | National Grid |  |
| Harvey, Julia | Texas Electric Cooperatives |  |
| Hayden, Jolly | GDS Associates |  |
| Helton, Bob | Engie North America |  |
| Henson, Martha | Oncor |  |
| Horstmyer, Reid | Dynasty Power |  |
| Huynh, Thuy | Potomac Economics |  |
| Jackson, Dan | Endure Energy- Energy Transfer |  |
| Jolly, Emily | Lower Colorado River Authority |  |
| Kee, David | CPS Energy |  |
| Kilroy, Taylor | TPPA |  |
| Kota, Naga | National Grid Renewables |  |
| Krajecki, Jim | Customized Energy Solutions |  |
| Kroskey, Tony | Brazos Electric Cooperative |  |
| Leahy, Patrick | Just Energy |  |
| Littlefield, Jennifer | Haynes Boone |  |
| Lotter, Eric | GridMonitor |  |
| Mendoza, Albert | Occidental |  |
| Nease, Nelson | Cross Oak Group |  |
| Powell, Christian | Pedernales Electric Cooperative |  |
| Price, Chris | 61 Commodities |  |
| Promubol, Jim | Shell Energy |  |
| Pyka, Greg | Schneider Engineering |  |
| Rainwater, Kim | Lower Colorado River Authority |  |
| Ramaswamy, Ramya | PUCT |  |
| Reedy, Steve | CIM View Consulting |  |
| Reid, Mike | Air Liquide |  |
| Reid, Walter | Advanced Power Alliance |  |
| Rich, Katie | Golden Spread Electric Cooperative |  |
| Richmond, Michele | TCPA |  |
| Robles, Rachelle | PUCT |  |
| Sager, Brenden | Austin Energy |  |
| Sams, Bryan | Calpine |  |
| Schumate, Walt |  |  |
| Schwarz, Brad | Sharyland |  |
| Siddiqi, Shams | Crescent Power Consulting |  |
| Sithuraj, Murali | Austin Energy |  |
| Smith, Caitlin | Jupiter Power |  |
| Tan, Paul | Saracen Energy |  |
| Townsend, Aaron | Potomac Economics |  |
| True, Roy | ACES Power |  |
| Uy, Manny | Hunt Energy |  |
| Varnell, John | Tenaska Power Services |  |
| Villasana, Kristi | NBU |  |
| Walke, Pranil | Calpine |  |
| Wellborn, Laura | Jupiter Power |  |
| Wittmeyer, Bob | Longhorn Power |  |
| Xie, Fei | Austin Energy |  |
| Yu, Joel | Enchanted Rock |  |
| Zhang, Wen | Enverus |  |
| Zhou, Emily | Potomac Economics |  |

*ERCOT Staff:*

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| --- | --- | --- |
|  |  |  |
| Albracht, Brittney |  |  |
| Ayson, Janice |  |  |
| Bernecker, John |  |  |
| Boren, Ann |  |  |
| Bracy, Phil |  |  |
| Cheng, Yong |  |  |
| Chu, Zhengguo |  |  |
| Clifton, Suzy |  |  |
| Garcia, Freddy |  |  |
| Gonzalez, Ino |  |  |
| Hartmann, Jimmy |  |  |
| Hilton, Keely |  |  |
| Holt, Blake |  |  |
| Huang, Fred |  |  |
| Kapiloff, Leonard |  |  |
| Khodabakhsh, Fred |  |  |
| Lee, Alex |  |  |
| Magarinos, Marcelo |  |  |
| Maggio, David |  |  |
| Martinez, Adriana |  |  |
| McGuire, Josh |  |  |
| Mereness, Matt |  |  |
| Mohanadha, Thinesh Devadhas |  |  |
| Moreno, Alfredo |  |  |
| Phillips, Cory |  |  |
| Raish, Carl |  |  |
| Roberts, Randy |  |  |
| Rosel, Austin |  |  |
| Ruane, Mark |  |  |
| Sharma, Sandip |  |  |
| Shaw, Pamela |  |  |
| Singh, Vijay |  |  |
| Spells, Vanessa |  |  |
| Thompson, Chad |  |  |
| Warnken, Pete |  |  |
| Woodfin, Dan |  |  |
| Xiao, Hong |  |  |

*Unless otherwise indicated, all Market Segments participated in the votes.*

Antitrust Admonition

Resmi Surendran directed attention to the Antitrust Admonition, which was displayed.

Agenda Review

There were no changes to the agenda.

Approval of WMS Meeting Minutes (see Key Documents)[[1]](#footnote-1)

*September 1, 2021*

Market Participants reviewed the September 1, 2021 WMS meeting minutes. Ms. Surendran noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

Technical Advisory Committee (TAC) Update (see Key Documents)

Ms. Surendran reviewed the disposition of items considered at the September 27, 2021 TAC meeting, including Nodal Protocol Revision Request (NPRR) 1093, Load Resource Participation and announced the October 19, 2021 Non-Spinning Reserve (Non-Spin) Service Workshop.

*Review of Reliability Deployment Process Proxy Bid Curve (Section 6.5.7.3.1, Determination of Real-Time On-Line Reliability Deployment Price Adder)*

Dave Maggio stated that in reviewing NPRR1093 ERCOT noted the requirements for TAC consideration of the Reliability Deployment Process Proxy Bid Curve and that at the September 27, 2021 TAC meeting the issue was referred to WMS. Mr. Maggio offered to provide analysis of Load Resources price and 4-Coincident Peak (4-CP) response for WMS consideration of whether that value is still appropriate. Ms. Surendran requested the Wholesale Market Working Group (WMWG) review the issues.

New Protocol Revision Subcommittee (PRS) Referrals (see Key Documents)

*NPRR1091, Changes to Address Market Impacts of Additional Non-Spin Procurement*

Ms. Surendran summarized NPRR1091. Market Participants discussed the issues and expressed concern that the $75 per MWh offer floor may not be the appropriate price and that a heat-rate based value would be a better solution, and requested WMWG review the issues. Ms. Surendran noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

*NPRR1092, Remove RUC Offer Floor*

Carrie Bivens summarized NPRR1092 and reviewed the timeline. Market Participants discussed the issues and expressed concern that the $75 per MWh offer floor may not be the appropriate price and that a heat-rate based value would be a better solution, the solution would need to ensure that the MWh would be put at the end of the stack, removing opt-out might be a better solution if there were no unintended consequences, and a holistic solution could be considered after the PUCT provides direction, and requested review of the issues by the WMWG. Ms. Surendran noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

Wholesale Market Working Group (WMWG) (see Key Documents)

David Detelich reviewed WMWG activities, including the 2022 ERCOT Ancillary Services Methodology.

Revision Requests Tabled at Protocol Revision Subcommittee (PRS), Referred to WMS (see Key Documents)

*NPRR981, Day-Ahead Market Price Correction Process*

*NPRR1058, Resource Offer Modernization for Real-Time Co-Optimization*

*NPRR1067, Market Entry Qualifications, Continued Participation Requirements, and Credit Risk Assessment*

*NPRR1070, Planning Criteria for GTC Exit Solutions*

*NPRR1084, Improvements to Reporting of Resource Outages and Derates*

*NPRR1088, Applying Forward Adjustment Factors to Forward Market Positions and Un-applying Forward Adjustment Factors to Prior Market Positions*

WMS took no action on these items.

*System Change Request (SCR) 816, CRR Auction Bid Credit Enhancement*

Seth Cochran summarized SCR816. Alfredo Moreno noted that in reviewing proposed modifications to the Congestion Revenue Right (CRR) auction calendar as a potential solution in lieu of SCR816, ERCOT had determined that a code change would be required and therefore, the SCR was the appropriate path forward. Katie Rich summarized discussion at the September 20, 2021 Congestion Management Working Group (CMWG) meeting and noted that CMWG was in consensus to advance SCR816. Ms. Surendran noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

Market Credit Working Group (see Key Documents)

Brenden Sager reviewed MCWG activities

CMWG (see Key Documents)

Ms. Rich reviewed CMWG activities, including proposed clarifications to the Emergency Conditions list items for completed items. There was no opposition to the proposed clarifications.

*Other Binding Document Revision Request (OBDRR) 026, Change Shadow Price Caps to Curves and Remove Shift Factor Threshold*

Ms. Rich summarized discussion at the September 20, 2021 CMWG meeting and stated that CMWG was not in consensus to advance OBDRR026. WMS took no action on this item.

*Nodal Operating Guide Revision Request (NOGRR) 215, Limit Use of Remedial Action Schemes*

WMS took no action on this item.

ERCOT Operations and Market Items (see Key Documents)

*Protocol Required Reporting on High Dispatch Limit (HDL)/Low Dispatch Limit (LDL) Overrides*

Mr. Maggio presented HDL and LDL manual overrides that occurred for nine Resources over Operating Days February 14, February 15, and February 18, 2021, identified the reasons for the overrides, and reviewed the calculated costs.

Revision Requests Tabled at WMS (see Key Documents)

*Verifiable Cost Manual Revision Request (VCMRR) 031, Clarification Related to Variable Costs in Fuel Adders*

WMS took no action on this item.

Combined Ballot

**Ian Haley moved to approve the Combined Ballot as follows:**

* **To approve September 1, 2021 WMS meeting minutes as presented**
* **To request PRS continue to table NPRR1091 for further review by WMWG**
* **To request PRS continue to table NPRR1092 for further review by WMWG**
* **To endorse SCR816 as submitted**

**Eric Goff seconded the motion. The motion carried unanimously via roll call vote.** *(Please see ballot posted with Key Documents.)*

Supply Analysis Working Group (SAWG) (see Key Documents)

Pete Warnken reviewed SAWG activities, including updates to the Emergency Conditions list items and winter Seasonal Assessment of Resource Adequacy for the ERCOT Region (SARA) release plans.

Other Business

*Electric Transmission Texas (ETT) Competitive Renewable Energy Zones (CREZ) Maintenance Outages*

Kip Fox provided an update on the ETT CREZ maintenance outages and stated that the outages are anticipated to be completed by December 18, 2021.

*TAC Emergency Conditions List Item #35, Procedures during Natural Gas Supply Emergency Update*

Chad Thompson summarized discussion at the September 24, 2021 Gas Electric Working Group (GEWG) meetings regarding Item #35 and noted the desire to await legislative outcomes before taking up the item, highlighted communication processes to be coordinated with the Railroad Commission (RRC), Public Utility Commission of Texas (PUCT) and ERCOT, and stated that the GEWG considers the item closed. Ms. Surendran noted the item is also assigned to WMWG and requested the item remain open until the communication issues are resolved.

*2022 ERCOT Membership/Segment Representative Elections*

Suzy Clifton reminded Market Participants that the membership date of record is Friday, November 12, 2021, noted a Market Notice was sent on October 1, 2021, and stated that 2022 Segment Representative Elections for TAC and Subcommittees would begin on Monday, November 15, 2021.

*Review Open Action Items*

Market Participants reviewed the Open Action Items.

*No Report*

* Demand Side Working Group (DSWG)
* Market Settlement Working Group (MSWG)
* Metering Working Group (MWG)
* Resource Cost Working Group (RCWG)

Adjournment

Ms. Surendran adjourned the October 6, 2021 WMS meeting at 12:37 p.m.

1. Key Documents referenced in these minutes may be accessed on the ERCOT website at:

   http://www.ercot.com/calendar/2021/10/6/213969-WMS [↑](#footnote-ref-1)