|  |  |  |  |
| --- | --- | --- | --- |
| NPRR Number | [1099](http://www.ercot.com/mktrules/issues/NPRR1099) | NPRR Title | Managing Network Operations Model Resource Nodes |
| Date of Decision | | January 31, 2021 | |
| Action | | Recommended Approval | |
| Timeline | | Normal | |
| Proposed Effective Date | | April 1, 2022 | |
| Priority and Rank Assigned | | Not Applicable | |
| Nodal Protocol Sections Requiring Revision | | 3.10.3.1, Process for Managing Network Operations Model Updates for Point of Interconnection Changes, Resource Retirements and Deletion of DC Tie Load Zones | |
| Related Documents Requiring Revision/Related Revision Requests | | Other Binding Document Revision Request (OBDRR) 034, Related to NPRR1099, Managing Network Operations Model Resource Nodes | |
| Revision Description | | This Nodal Protocol Revision Request (NPRR) grants ERCOT greater authority to move a Resource Node in the Network Operations Model when deemed necessary to properly reflect Point of Interconnection (POI) changes or Resource retirements. | |
| 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 | | As currently written, Section 3.10.3.1 limits ERCOT’s authority to change existing Resource Nodes in the Network Operations Model. NPRR1016, Clarify Requirements for Distribution Generation Resources (DGRs) and Distribution Energy Storage Resources (DESRs), modifies how distribution-level generation must be represented in ERCOT’s Network Operations Model. Upon review, ERCOT has determined that implementation of the modeling changes required by NPRR1016 could be impeded by existing Section 3.10.3.1, which requires ERCOT to maintain in the Network Operations Model an old Resource Node at its existing location (or an electrically similar location) for up to 36 months. To help address this, revisions are proposed to Section 3.10.3.1 to grant ERCOT greater flexibility in modifying the location of Resource Nodes in the Network Operations Model.  Further, when an existing Resource changes its POI such that it requires a newly located Resource Node, the current Protocol language requires that the old Resource Node must remain in the Network Operations Model at its existing (or electrically similar) location. This requirement can result in Market Participants having to leave in the Network Operations Model the equipment associated with the old Resource Node, even when that equipment has been retired or physically removed. This can create situational awareness risks and data maintenance concerns, and impacts ERCOT’s Network Operations Model accuracy. This NPRR will give ERCOT greater flexibility to manage Resource Node changes during POI changes or Resource retirements. | |
| Credit Work Group Review | | ERCOT Credit Staff and the Credit Work Group (Credit WG) have reviewed NPRR1099 and do not believe that it requires changes to credit monitoring activity or the calculation of liability. | |
| PRS Decision | | On 10/14/21, PRS voted unanimously via roll call to table NPRR1099 and refer the issue to ROS and WMS. All Market Segments participated in the vote.  On 12/14/21, PRS voted unanimously via roll call to recommend approval of NPRR1099 as amended by the 11/24/21 ERCOT comments. All Market Segments participated in the vote.  On 1/13/22, PRS voted unanimously via roll call to endorse and forward to TAC the 12/14/21 PRS Report and Impact Analysis for NPRR1099. All Market Segments were present for the vote. | |
| Summary of PRS Discussion | | On 10/14/21, participants expressed concern for moving POIs with open Congestion Revenue Rights (CRRs), and impacts to hedging, and requested further discussion at ROS and WMS.  On 12/14/21, participants noted ROS and WMS endorsements of NPRR1099 as amended by the 11/24/21 ERCOT comments.  On 1/13/22, participants reviewed the Impact Analysis and noted that NPRR1099 has no impact. | |
| TAC Decision | | On 1/31/22, TAC voted unanimously via roll call to recommend approval of NPRR1099 as recommended by PRS in the 1/13/22 PRS Report. All Market Segments participated in the vote. | |
| Summary of TAC Discussion | | On 1/31/22, participants reviewed the ERCOT Opinion and ERCOT Market Impact Statement for NPRR1099. | |
| ERCOT Opinion | | ERCOT supports approval of NPRR1099. | |
| ERCOT Market Impact Statement | | ERCOT Staff have reviewed NPRR1099 and believe the market impact for NPRR1099 will be greater flexibility for ERCOT to manage Resource Node changes during POI changes or Resource Retirements. | |

|  |  |
| --- | --- |
| Sponsor | |
| Name | Alfredo Moreno |
| E-mail Address | [Alfredo.Moreno@ercot.com](mailto:Alfredo.Moreno@ercot.com) |
| Company | ERCOT |
| Phone Number | 512-248-6977 |
| Market Segment | Not Applicable |

|  |  |
| --- | --- |
| **Market Rules Staff Contact** | |
| **Name** | Brittney Albracht |
| **E-Mail Address** | [Brittney.Albracht@ercot.com](mailto:Brittney.Albracht@ercot.com) |
| **Phone Number** | 512-225-7027 |

|  |  |
| --- | --- |
| **Comments Received** | |
| Comment Author | **Comment Summary** |
| WMS 110921 | Requested PRS continue to table NPRR1099 for review by the Congestion Management Working Group (CMWG) |
| ROS 110921 | Requested PRS continue to table NPRR1099 for review by the Network Data Support Working Group (NDSWG) |
| ERCOT 112421 | Addressed concerns related to POI changes raised during the November 15, 2021 CMWG meeting; revised language to reference the Other Binding Document “Procedure for Identifying Resource Nodes” to include specific scenarios in which a Resource Node relocation is allowed |
| WMS 120621 | Endorsed NPRR1099 as amended by the 11/24/21 ERCOT comments |
| ROS 120621 | Endorsed NPRR1099 as amended by the 11/24/21 ERCOT comments |

|  |
| --- |
| **Market Rules Notes** |

Please note that the baseline language in the following section(s) has been updated to reflect the incorporation of the following NPRRs into the Nodal Protocols:

* NPRR1005, Clarify Definition of Point of Interconnection (POI) and Add Definition Point of Interconnection Bus (POIB) (unboxed 2/1/22)
  + Section 3.10.3.1

|  |
| --- |
| Proposed Protocol Language Revision |

3.10.3.1 Process for Managing Network Operations Model Updates for Point of Interconnection Bus Changes, Resource Retirements and Deletion of DC Tie Load Zones

(1) Following the permanent change in Point of Interconnection Bus (POIB) of all Resources associated with a Resource Node, ERCOT shall retain the associated Settlement Point in the Network Operations Model at its existing location, an electrically similar location, or until all outstanding CRRs associated with that Settlement Point have expired as determined in accordance with the Other Binding Document, “Procedure for Identifying Resource Nodes.” Following the retirement of all Resources associated with a Resource Node, ERCOT shall move the Resource Node to a proxy Electrical Bus. The proxy Electrical Bus will be selected by finding the nearest energized Electrical Bus with the least impedance equipment between the existing Resource Node and the proxy Electrical Bus. For purposes of the CRR Auction model for calendar periods that are prior to the expiration date of all CRRs associated with the Settlement Point, the Settlement Point will continue to be available as a sink or source for CRR Auction transaction submittals. For calendar periods that are beyond the expiration date of all CRRs associated with the Settlement Point, the Settlement Point will not be available for transaction submittals in the associated CRR Auctions. The Settlement Point will be removed from the Network Operations Model once all associated CRRs have expired.

(2) When a Direct Current Tie (DC Tie) is to be permanently removed from service, ERCOT will delete the associated DC Tie Load Zone from the Network Operations Model after all outstanding CRRs associated with that DC Tie Load Zone have expired. The DC Tie Load Zone will continue to be available as a sink or source Settlement Point for transaction submittals in CRR Auctions for calendar periods that are prior to the scheduled deletion date of the DC Tie Load Zone; however, the DC Tie Load Zone will no longer be an available Settlement Point for transaction submittals in CRR Auctions for calendar periods that are after the scheduled deletion date of the DC Tie Load Zone.