**DRAFT**

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

**Webex Only**

**Wednesday, March 2, 2022 – 9:30 a.m.**

Attendance

*Members:*

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Allen, Thresa | Avangrid Renewables |  |
| Barnes, Bill | Reliant Energy Retail Services |  |
| Bierschbach, Erika | Austin Energy |  |
| Burke, Tom | RWE Renewables |  |
| Camet, Brooke | Residential Consumer | Alt. Rep. for Eric Goff |
| Cochran, Seth | DC Energy |  |
| Couch, Andrea | TNMP |  |
| DeLeon, Amanda | Tenaska Power Services |  |
| Detelich, David | CPS Energy |  |
| Farhangi, Anoush | Demand Control 2 |  |
| Franklin, Russell | Garland Power & Light  |  |
| Foster, Ashley | The Dow Chemical Company |  |
| Greer, Clayton | Morgan Stanley |  |
| Gross, Blake | AEP Service Corporation |  |
| Haley, Ian | Luminant Generation |  |
| Hunsaker, David | Chariot Energy |  |
| Johnson, Anthony | CenterPoint Energy |  |
| Lange, Clif | South Texas Electric Cooperative |  |
| Lindberg, Ken | Bryan Texas Utilities |  |
| Mauldin, Jamie | City of Eastland |  |
| Nguyen, Andy | Lower Colorado River Authority |  |
| Powell, Christian | Pedernales Electric Cooperative |  |
| Ritch, John | Gexa Energy |  |
| Sams, Bryan | Calpine Corporation |  |
| Smith, Mark | Nucor |  |
| Surendran, Resmi | Shell Energy |  |
| Velasquez, Ivan | Oncor |  |
| Wilson, Joe Dan | Golden Spread Electric Cooperative |  |
| Xie, Fei | Austin Energy | Alt. Rep. for Erika Bierschbach |

*Guests:*

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| --- | --- | --- |
|  |  |  |
| Ainspan, Malcolm | NRG |  |
| Anderson, Connor | AB Power Advisors |  |
| Ashley, Kristy | Customized Energy Solutions |  |
| Bivens, Carrie | Potomac Economics |  |
| Blackburn, Don | Hunt Energy Network Power  |  |
| Blakey, Eric | Just Energy |  |
| Bruce, Mark | Cratylus Advisors |  |
| Chamberlin, Jennifer  | CPower |  |
| Claiborn-Pinto, Shawnee | PUCT |  |
| Dreyfus, Mark | MD Energy Consulting |  |
| Evans, Mike | Brazos Electric Cooperative |  |
| Hendrix, Chris | Demand Control 2 |  |
| Henson, Martha | Oncor |  |
| Hubbard, John Russ | TIEC |  |
| Huynh, Thuy | Potomac Economics |  |
| Jones, Randy | Mountaineer Market Advisors  |  |
| Kee, David | CPS Energy |  |
| Kilroy, Taylor | TPPA |  |
| Kroskey, Tony | Brazos Electric Cooperative |  |
| Lasher, Warren | Lasher Energy |  |
| Lee, Jim | TEC |  |
| Lookadoo, Heddie | Shell Energy |  |
| Lotter, Eric | GridMonitor |  |
| Petajasoja, Ida | inBalance |  |
| Pokharel, Nabaraj | OPUC |  |
| Rainwater, Kim | Lower Colorado River Authority |  |
| Reedy, Steve | CIM View Consulting |  |
| Reid, Mike | Air Liquide |  |
| Reid, Walter | Advanced Power Alliance |  |
| Rich, Katie | Golden Spread Electric Cooperative |  |
| Sager, Brenden | Austin Energy |  |
| Siddiqi, Shams | Crescent Power Consulting |  |
| Sithuraj, Murali | Austin Energy |  |
| Smith, Chase | Southern Power Company |  |
| Thurnher, Greg | MP2 Energy |  |
| Townsend, Aaron | Potomac Economics |  |
| True, Roy | ACES Power |  |
| Turner, Lucas | South Texas Electric Cooperative |  |
| Uy, Manny | Hunt Energy |  |
| Walker, Floyd | PUCT |  |
| Williams, Lori | BTU |  |
| Wittmeyer, Bob | Longhorn Power |  |
| Wu, Tiffany | PUCT  |  |
| Zarnikau, Jay | Frontier Energy |  |
| Zhou, Emily | Potomac Economics |  |

*ERCOT Staff:*

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| --- | --- | --- |
|  |  |  |
| Albracht, Brittney |  |  |
| Anderson, Troy |  |  |
| Ayson, Janice |  |  |
| Billo, Jeff |  |  |
| Boren, Ann |  |  |
| Clifton, Suzy |  |  |
| Dwyer, Davida |  |  |
| Du, Pengwei |  |  |
| Garcia, Freddy |  |  |
| Gonzalez, Ino |  |  |
| Holt, Blake |  |  |
| Hunsucker, Brett |  |  |
| Kane, Erika |  |  |
| Kapiloff, Leonard |  |  |
| Krein, Steve |  |  |
| Maggio, David |  |  |
| Mago, Nitika |  |  |
| Maul, Donald |  |  |
| Moreno, Alfredo |  |  |
| Patterson, Mark |  |  |
| Phillips, Cory |  |  |
| Raish, Carl |  |  |
| Roberts, Randy |  |  |
| Rosel, Austin |  |  |
| Ruane, Mark |  |  |
| Sharma, Sandip |  |  |
| Shaw, Pamela |  |  |
| Troublefield, Jordan |  |  |
| Tucker, Don |  |  |
| Urquhart, Thomas |  |  |
| 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

Ms. Surendran reviewed items scheduled for a vote and noted changes to the agenda.

Approval of WMS Meeting Minutes

*February 2, 2022*

This item was deferred to the April 6, 2022 WMS meeting.

Technical Advisory Committee (TAC) Update

Ms. Surendran reviewed the disposition of items considered at the February 23, 2022 TAC meeting.

2022 WMS Goals (see Key Documents)[[1]](#footnote-1)

Market Participants reviewed the draft 2022 WMS goals and offered clarifications. Ms. Surendran noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

ERCOT Operations and Market Items (see Key Documents)

*Settlement Stability Report 2021 Q4 Update*

Austin Rosel presented the 4th Quarter 2021 Settlement Stability report.

*Analysis of Retail Electric Providers (REPs) and Non-Opt-In Entities (NOIEs) Demand Response*

Carl Raish presented highlights of the 2021 Analysis of REPs and NOIEs Demand Response and noted the detailed analysis was posted with the meeting materials.

*Recommendation on minimum capacity required from Security-Constrained Economic Dispatch (SCED) dispatchable Resources to provide Non-Spinning Reserve (Non-Spin)*

Nitika Mago stated that as ERCOT reviewed the project and implementation requirements for Nodal Protocol Revision Request (NPRR)1093, Load Resource Participation in Non-Spinning Reserve and NPRR1101, Create Non-Spin Deployment Groups made up of Generation Resources Providing Off-Line Non-Spinning Reserve and Load Resources that are Not Controllable Load Resources Providing Non-Spinning Reserve with an anticipated go-live date of May 2022, ERCOT also assessed the minimum capacity required from SCED dispatchable Resources to provide Non-Spin, noted that ERCOT does not yet have operational experience for Not Controllable Load Resources (NCLRs), presented the ERCOT recommendation for WMS consideration, and reviewed the timeline for TAC consideration to advance the Ancillary Service Methodology changes to the April 12, 2022 ERCOT Board meeting. Some Market Participants expressed concern with the proposed recommendation and timeline to review the issues, and suggested using the Most Severe Single Contingency (MSSC) as the minimum amount of Non-Spin procured. Ms. Mago summarized the reliability concerns and reminded Market Participants that ERCOT would review the Ancillary Services Methodology annually and could reconsider based on operational experience.

**Clif Lange moved to endorse** **MSSC as the minimum amount of Non-Spin procured from SCED dispatchable Resources. Andy Nguyen seconded the motion. The motion carried via roll call ballot with four objections from the Consumer (2) (Nucor, Dow), Independent Power Marketer (IPM) (Morgan Stanley), and Independent Retail Electric Provider (IREP) (Reliant) Market Segments and five abstentions from the Consumer (2) (City of Eastland, Residential), Cooperative (PEC), and IREP (2) (Demand Control 2, Chariot Energy) Market Segments.** *(Please see ballot posted with Key Documents.)*

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

*NPRR1118, Clarifications to the OSA Process*

Dave Maggio summarized NPRR1118. Market Participants requested review of the issues by the Wholesale Market Working Group (WMWG). Ms. Surendran noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

WMS Revision Requests (see Key Documents)

*Settlement Metering Operating Guide Revision Request (SMOGRR) 025, Modifications to Line Loss Compensation Requirement for EPS Metering*

Don Tucker summarized SMOGRR025 and discussion at the January 27, 2022 Metering Working Group (MWG) meeting. Ms. Surendran noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

WMWG (see Key Documents)

Bryan Sams reviewed WMWG activities.

Revision Requests Tabled at PRS or ROS and 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*

*NPRR1100, Emergency Switching Solutions for Energy Storage Resources*

*NPRR1108, ERCOT Shall Approve or Deny All Resource Outage Requests*

*NPRR1110, Black Start Requirements Update*

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

WMS took no action on these items.

*NPRR1112, Elimination of Unsecured Credit Limits*

Mark Ruane reviewed NPRR1112. Brenden Sager summarized NPRR1112 discussion at the February 16, 2022 Credit Work Group (Credit WG) and Market Credit Working Group (MCWG) meeting. Market Participants reviewed the 2/16/22 Credit WG comments. Ms. Surendran noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

MCWG (see Key Documents)

Mr. Sager reviewed MCWG activities.

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 the 2022 WMS Goals as revised by WMS**
* **To request PRS continue to table NPRR1118 for further review by WMWG**
* **To recommend approval of SMOGRR025 as submitted**
* **To endorse NPRR1112 as amended by the 2/16/22 Credit WG comments**

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

Congestion Management Working Group (CMWG) (see Key Documents)

Katie Rich reviewed CMWG activities.

Demand Side Working Group (DSWG)

Ms. Surendran reviewed DSWG activities.

Other Business

*Posting Requirements*

Some Market Participants expressed concern for timely posting of meeting materials for items being considered by WMS. Brittney Albracht summarized notice requirements codified in the TAC procedures.

*Update on Hybrid Stakeholder Meetings (In-Person/Webex)*

Ms. Albracht stated that the March 7 and March 8, 2022 ERCOT Board meetings would be in person at the new ERCOT MET facility, and that in consideration of facilities, stakeholder meetings would resume in the hybrid approach beginning with the March 30, 2022 TAC meeting. Ms. Albracht summarized the hybrid meeting criteria codified in the TAC Procedures.

*Review Open Action Items*

This item was deferred to the April 6, 2022 WMS meeting.

*No Report*

* MWG
* Market Settlement Working Group (MSWG)
* Resource Cost Working Group (RCWG)
* Supply Analysis Working Group (SAWG)

Adjournment

Ms. Surendran adjourned the March 2, 2022 WMS meeting at 11:48 a.m.

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

<https://www.ercot.com/calendar/event?id=1623079834010> [↑](#footnote-ref-1)