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| NPRR Number | [1092](http://www.ercot.com/mktrules/issues/NPRR1092) | NPRR Title | Reduce RUC Offer Floor and Remove RUC Opt-Out Provision |
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| Date | | March 25, 2022 | |
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| Submitter’s Information | | | |
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| Market Segment | | Independent Generator | |

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| Comments |

As the March 24th Joint Commenters have noted in their comments, Luminant accounts for a majority of Quick Start Generation Resource (QSGR) offers. Because of its significant investment in QSGRs and lack of captive rate base, Luminant has undertaken a great deal of work to assess and share with ERCOT the true all-in costs of maintaining and operating these units in quick start mode – that cost is high. The high cost of these units has been acceptable to the market because of the reliability function that they offer. Their high cost and reliability function is why they are separately accounted for in Luminant’s voluntary mitigation plan (VMP). The calculation of the QSGR offers is consistent with the methodologies used to calculate fast start offers in other markets, including MISO, PJM, and ISO-NE.

The Joint Commenters’ comments regarding Reliability Unit Commitments (RUCs) are premised on the idea that these units do not provide value to the market and thus it is acceptable to use out-of-market actions to price them out of the market. Luminant disagrees that it is acceptable to use out-of-market actions to price these units out. Further, advocating that a solution is acceptable essentially because it only affects one Market Participant does not seem in line with PURA’s mandate that regulatory authorities “may not discriminate against any participant or type of participant…in the competitive market.” Market Participants should consider all of the potential consequences of singling out certain Market Participants as expendable.

Luminant believes that these types of units provide increased reliability. The Commission, ERCOT, and legislators have messaged that reliability is a top priority right now. If stakeholders believe these units offer the market value, they should work toward market fixes that reduce RUCs, and not advocate for short-sighted out-of-market band-aids.

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| Revised Cover Page Language |

None

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| Revised Proposed Protocol Language |

None