



Item 11: TAC Report

Clif Lange

2022 Technical Advisory Committee (TAC) Chair

Board of Directors Meeting

ERCOT Public

April 28, 2022

Summary of TAC Update

Revision Requests Recommended for Approval by TAC – Unopposed:

- NPRR1116, Remove Obsolete Reference to Market Information System (MIS)
- NPRR1117, Related to SMOGRR025, Modifications to Line Loss Compensation Requirement for EPS Metering
- NPRR1122, Clarifications for PURA Subchapter M Securitization Default Charges – URGENT
- NPRR1123, Clarifications for PURA Subchapter N Securitization Uplift Charges – URGENT
- NPRR1125, Use of Financial Security for Securitization Default Charge and Securitization Uplift Charge Invoices and Escrow Deposit Requests – URGENT
- PGRR096, Achieve Consistent Representation of Distributed Generation in Steady-State Models
- PGRR098, Consideration of Load Shed in Transmission Planning Criteria
- SMOGRR025, Modifications to Line Loss Compensation Requirement for EPS Metering

Revision Requests Recommended for Approval by TAC – Non-Unanimous:

- NPRR1092, Reduce RUC Offer Floor and Remove RUC Opt-Out Provision
- NPRR1096, Require Sustained Two-Hour Capability for ECRS and Four-Hour Capability for Non-Spin
- NPRR1124, Recovering Actual Fuel Costs through RUC Guarantee – URGENT
- SCR818, Changes to Incorporate GIC Modeling Data into Existing Modeling Applications

Revision Requests with TAC Recommendation Oppositions

- NPRR1108, ERCOT Shall Approve or Deny All Resource Planned Outage Requests – URGENT
- NPRR1112, Reduction of Unsecured Credit Limits – URGENT



Summary of TAC Update

March/April TAC Highlights

- TAC Vice Chair Election
- Formation of Large Flexible Loads Task Force (LFLTF)
- Minimum Duration Threshold for ESRs (Related to PGRR095)
- Southern Cross Directive #6 Determination Regarding Any Needed Transmission Upgrades
- Southern Cross Directive #8 Voltage Support
- Ancillary Service Methodology Revisions
- RMS/WMS/ROS Goals

Guide Revisions Recommended for Approval by TAC (*Pending PUCT Approval*)

- NOGRR239, WAN Data Protection Responsibilities

Revision Requests with Opposing Votes (Vote)

NPRR1092, Reduce RUC Offer Floor and Remove RUC Opt-Out Provision

Purpose (IMM)	This NPRR reduces the value of the offer floor on Resources that have the status of ONRUC and removes the ONOPTOUT status.
TAC Vote	<p>On 3/30/22, TAC voted via roll call to recommend approval of NPRR1092 as recommended by PRS in the 2/9/22 PRS Report as amended by the 3/28/22 Reliant comments as revised by TAC. There were eight opposing votes from the Cooperative (2) (STEC, Golden Spread), Independent Generator (Luminant), IPM (3) (Tenaska, Morgan Stanley, Shell), and Municipal (2) (Garland, DME) Market Segments and four abstentions from the Cooperative (LCRA), and IOU (3) (Oncor, TNMP, CenterPoint) Market Segments.</p> <p>On 4/13/22 TAC voted via roll call to endorse NPRR1092 as recommended by TAC in the 3/30/22 TAC Report as amended by the 4/6/22 ERCOT comments with a recommended effective date of following PUCT approval - 5/13/22 for Section 6.5.7.3 and upon system implementation for the remainder of NPRR1092 with a recommended priority of 2022 and rank of 3580. There was one opposing vote from the Independent Generator (Luminant) Market Segment and four abstentions from the Cooperative (2) (STEC, LCRA) and Independent Power Marketer (IPM) (2) (Tenaska, Shell) Market Segments.</p>
ERCOT Market Impact Statement	ERCOT Staff has reviewed NPRR1092 and believes the market impact for NPRR1092 establishes more appropriate incentives for Resources related to RUC.
Effective Date/Priority	Following PUCT approval (May 13, 2022) for Section 6.5.7.3; upon system implementation for all remaining language – Priority 2022; Rank 3580
ERCOT Impact	Less than \$5k O&M (Phase 1) and between \$50k - \$75k (Phase 2); impacts to Market Operation Systems; ERCOT grid operations and practices will be updated.

NPRR1096, Require Sustained Two-Hour Capability for ECRS and Four-Hour Capability for Non-Spin

Purpose (ERCOT)	This NPRR requires Resources that provide ECRS to limit their responsibility to a quantity of capacity that is capable of being sustained for two consecutive hours and/or Non-Spin to limit their responsibility to a quantity of capacity that is capable of being sustained for four consecutive hours. Additionally, this NPRR also requires ERCOT to conduct unannounced tests on ESRs that are providing ECRS and/or Non-Spin in Real-Time.
TAC Vote	On 3/30/22, TAC voted via roll call to recommend approval of NPRR1096 as recommended by PRS in the 3/9/22 PRS Report. There were three opposing votes from the Independent Generator (Jupiter), IPM (Tenaska), and IREP (Demand Control 2) Market Segments; and seven abstentions from the Consumer (City of Dallas), Independent Generator (2) (ENGIE, Luminant), IPM (Morgan Stanley), IREP (2) (Reliant Energy Retail Services, APG&E), and Municipal (Garland) Market Segments.
ERCOT Market Impact Statement	ERCOT Staff has reviewed NPRR1096 and believes the market impact for NPRR1096 provides clarity to Resources that provide ECRS and/or Non-Spin with regards to the requirements needed to meet the reliability objectives of these Ancillary Services.
Effective Date/Priority	Upon system implementation – Priority 2022; Rank 2650
ERCOT Impact	Between \$30K and \$50k; impacts to Grid Modeling Systems, Energy Management Systems, and Grid Decision Support Systems; ERCOT business processes will be updated; ERCOT grid operations and practices will be updated.

NPRR1124, Recovering Actual Fuel Costs through RUC Guarantee – URGENT

Purpose (ERCOT)	This NPRR ensures Generation Resources recover their actual fuel costs when instructed to start due to a RUC. Specifically, this NPRR sets the SUPR and the MEPR, as defined in paragraph (6) of Section 5.7.1.1, RUC Guarantee, to the SUCAP and the MECAP, respectively, utilizing the actual approved fuel price paid.
TAC Vote	On 4/13/22, TAC voted via roll call to recommend approval of NPRR1124 as recommended by PRS in the 4/6/22 PRS Report with a recommended effective date of following PUCT approval - May 13, 2022. There were six opposing votes from the Consumer (City of Eastland, City of Dallas, CMC Steel Texas, Air Liquide, Residential, OPUC) Market Segment.
ERCOT Market Impact Statement	ERCOT Staff has reviewed NPRR1124 and believes the market impact for NPRR1124 will be to allow Generation Resources to recover fuel costs to Start and operate the Resource at the minimum energy level by setting the SUPR and MEPR to the SUCAP and MECAP, respectively, utilizing actual approved fuel prices.
Effective Date/Priority	Following PUCT approval – May 13, 2022
ERCOT Impact	No impact

SCR818, Changes to Incorporate GIC Modeling Data into Existing Modeling Applications

Purpose (CenterPoint)	This SCR modifies the ERCOT NMMS and Topology Processor to incorporate GIC modeling data for maintaining GIC System models for the ERCOT planning area for compliance with NERC Reliability Standard, TPL-007-4. The NMMS and Topology Processor should allow applicable Entities to provide the necessary data for the GIC System Model, per Planning Guide Section 6.11 and in accordance with ERCOT's GIC System Model Procedure Manual. Additional changes are requested to include automated email notifications of the need for the GIC modeling data submittals and updates.
TAC Vote	On 3/30/22, TAC voted via roll call to recommend approval of SCR818 as recommended by PRS in the 3/9/22 PRS Report. There were three opposing votes from the Consumer (City of Dallas, Residential Consumer, OPUC) Market Segment.
ERCOT Market Impact Statement	ERCOT Staff has reviewed SCR818 and believes the market impact for SCR818 would improve the GIC System Model development process by aligning the process for building the GIC System Models with the existing process for building Steady-State and Near-Term Transmission Planning Horizon Models, improve the efficiency of maintaining the GIC data of operational equipment, and satisfy requirements of NERC Reliability Standard TPL-007-4, to complete the benchmark and supplemental GMD Vulnerability Assessments of the Near-Term Transmission Planning Horizon at least once every 60 calendar months.
Effective Date/Priority	Upon system implementation – Priority 2023; Rank 3710
ERCOT Impact	Between \$300K and \$500k; elimination of the current manual process will result in a savings of approximately 0.3 Full-Time Employees (FTEs) per year; impacts to Grid Modeling Systems;

Revision Requests with TAC Recommendation Oppositions (Vote)

NPRR1108, ERCOT Shall Approve or Deny All Resource Planned Outage Requests – URGENT

Purpose (ERCOT)	This Nodal Protocol Revision Request (NPRR) defines a process by which ERCOT will review, coordinate, and approve or deny all Resource Planned Outages, including those that are submitted more than 45 days prior to the planned start of the Outage. In conjunction with existing Protocol provisions, the addition of this process will allow ERCOT to meet the requirements of SB 3 related to approval of all Planned Outages of electric generation.
TAC Vote	On 4/18/22, TAC voted via roll call to recommend approval of NPRR1108 as amended by the 4/15/22 Joint Commenters I comments; and to forward NPRR1108 to the ERCOT Board. There were two abstentions from the Consumer (CMC Steel Texas, Residential Consumer) Market Segment.
ERCOT Opinion	ERCOT does not support the TAC-approved version of NPRR1108 based on reliability concerns with the proposed language.
ERCOT Market Impact Statement	ERCOT Staff has reviewed the TAC-approved version of NPRR1108 and believes the market impact for that version of NPRR1108 would introduce unnecessary reliability risks with respect to scheduling of Planned Outages of Generation Resources.
Effective Date/Priority	To be determinend
ERCOT Impact	\$275k - \$375k; Annual Recurring O&M \$320k - \$380k (2.0 FTEs)
Notes	4/20/22 ERCOT TAC Opposition Recommendation 4/20/22 ERCOT comments

NPRR1112, Reduction of Unsecured Credit Limits – URGENT

Purpose (Joint Sponsors)	This NPRR reduces Unsecured Credit Limits from \$50M to \$30M within paragraph (2) of Section 16.11.2, Requirements for Setting a Counter-Party's Unsecured Credit Limit.
TAC Vote	On 4/13/22, TAC voted via roll call to recommend approval of NPRR1112 as recommended by PRS in the 4/6/22 PRS Report. There were two opposing votes from the Consumer (2) (Residential Consumer, OPUC) and five abstentions from the Consumer (City of Dallas), Cooperative (2) (LCRA, Pedernales), and Independent Generator (2) (Luminant, Calpine) Market Segments.
ERCOT Opinion	ERCOT does not support approval of the TAC-recommended version of NPRR1112.
ERCOT Market Impact Statement	ERCOT Staff has reviewed NPRR1112 and believes the market impact for NPRR1112 as recommended by PRS will lead to little to no improvement to ERCOT's credit risk profile and will maintain the subsidization of credit for eligible Entities by ineligible Entities
Effective Date/Priority	June 1, 2022
ERCOT Impact	ERCOT business processes will be updated.
Notes	4/21/22 ERCOT TAC Recommendation Opposition

March/April TAC Highlights

March/April TAC Highlights

TAC Vice Chair Election. On 3/30/22, TAC elected Bob Helton as 2022 TAC Vice Chair.

Large Flexible Loads Task Force. On 3/30/22, TAC formed the Large Flexible Load Task Force (LFLTF) to address the integration of Large Flexible Loads into the ERCOT System. LFLTF will report directly to TAC.

Minimum Duration Threshold for ESRs (Related to PGRR095). On 4/13/22, TAC recommended approval of a minimum duration threshold for ESRs of 2 hours; and lower duration Resources would be prorated to their continuous Real Power capability for 2 hours.

Southern Cross Directive #6 Determination Regarding Any Needed Transmission Upgrades; and #8 Voltage Support. On 4/13/22, TAC endorsed the ERCOT proposals for Southern Cross Directives #6 and #8.

Ancillary Service Methodology Revisions. On 4/13/22, TAC endorsed the ERCOT-proposed Ancillary Services Methodology revisions on minimum capacity required from SCED dispatchable Resources to provide Non-Spin.

RMS/ROS/WMS Goals. On 4/13/22, TAC approved the RMS, ROS, and WMS goals as presented by each subcommittee.

Notice of Guide Revisions Recommended for Approval by TAC (*Pending PUCT Approval*)

NOGRR239, WAN Data Protection Responsibilities. This Nodal Operating Guide Revision Request (NOGRR) adds language to Section 7.1 to delineate the responsibilities of providing security for data transmitted between ERCOT, Qualified Scheduling Entities (QSEs), and Transmission Operators (TOs) as follows: establishes the “handoff” of data transmitted between ERCOT and QSEs/TOs to be at the ERCOT-managed router located at each Wide Area Network (WAN) Participant’s WAN demarcation point; establishes that ERCOT will manage data encryption keys for data transmitted between ERCOT and the ERCOT-managed router located at each WAN Participant’s WAN demarcation point; and establishes that QSEs and TOs are responsible for any data protection downstream of the ERCOT-managed router located at each WAN Participant’s WAN demarcation point.