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| **Date:** | June 14, 2022 |
| **To:** | Board of Directors (Board) |
| **From:** | Clif Lange, Technical Advisory Committee (TAC) Chair |
| **Subject:** | Unopposed Revision Requests Recommended by TAC for Approval |

## Issue for the ERCOT Board of Directors

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| **ERCOT Board of Directors Meeting Date:** June 21, 2022  **Item No.:** 3.1 |

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| **Issue:**Consideration of the following Revision Requests: Nodal Protocol Revision Requests (NPRRs) and Planning Guide Revision Request (PGRR) recommended for approval by TAC (with no opposing votes recorded):  * NPRR1100, Allow Generation Resources and Energy Storage Resources to Serve Customer Load When the Customer and the Resource are Disconnected from the ERCOT System – URGENT; * NPRR1110, Black Start Requirements Update; * NPRR1119, Removal of Extraneous Language Pertaining to the Calculation of Weekly Generation and Load Resource Capacity Forecasts; * NPRR1121, Add a Posting Requirement to the Exceptional Fuel Cost Submission Process; * NPRR1129, Posting ESI IDs of Transmission-Voltage Customer Opt-Outs – URGENT; * NPRR1130, Weatherization Inspection Fees Sunset Date Extension – URGENT; and * PGRR100, Steady-State Case Building Timeline Update. |
| **Background/History:** **Unless otherwise noted: (i) all Market Segments participated in each vote; (ii) For NPRRs, ERCOT Credit Staff and the Credit Work Group (Credit WG) have reviewed the NPRR and do not believe it requires changes to credit monitoring activity or the calculation of liability; and (iii) ERCOT supports the revision request.**   * ***NPRR1100, Allow Generation Resources and Energy Storage Resources to Serve Customer Load When the Customer and the Resource are Disconnected from the ERCOT System – URGENT [Tesla]***   **Proposed Effective Date:** July 15, 2022  **ERCOT Impact Analysis:** Less than $5k (O&M); no impacts to ERCOT staffing; no impacts to ERCOT computer systems; ERCOT business processes will be updated; no impacts to ERCOT grid operations and practices.  **Revision Description:** This NPRR clarifies that a Generation Resource or Energy Storage Resource (ESR) may serve Customer Load in any circumstance in which the Customer and the Resource are both disconnected from the ERCOT System due to an Outage of the transmission or distribution system. It is limited to configurations where the Resource and Customer Load are using privately owned transmission and distribution infrastructure during the Private Microgrid Island (PMI) operation. This is not a Private Use Network and the Load and Resource do not net during normal circumstances. For PMIs with an ESR, after the initial Settlement of an Operating Day in which the private microgrid operated as a PMI, this NPRR proposes an adjustment to ensure that consumption by the ESR prior to the PMI operation period and subsequently used to serve the Customer during private microgrid operation is no longer treated as Wholesale Storage Load (WSL). This adjustment will recharacterize the Load from WSL to Non-WSL on an Operating Day basis for as many Operating Days as necessary to ensure that ESR Load not eligible for WSL treatment is not provided WSL treatment.  **TAC Decision:** On 5/25/22, TAC voted unanimously to recommend approval of NPRR1100 as recommended by PRS in the 5/11/22 PRS Report as amended by the 5/19/22 Oncor comments; and the 5/18/22 Impact Analysis with a proposed effective date of July 15, 2022.  **ERCOT Opinion:** ERCOT supports approval of NPRR1100.  **ERCOT Market Impact Statement:**  ERCOT Staff has reviewed NPRR1100 and believes the market impact for NPRR1100 allows a Resource to provide resiliency benefits to one or more privately connected Loads in the event that the Resource and Load are disconnected from the ERCOT System due to an Outage of the transmission or distribution system.   * ***NPRR1110, Black Start Requirements Update [ERCOT]***   **Proposed Effective Date:** August 1, 2022  **ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; no impacts to ERCOT computer systems; no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices.  **Revision Description:** This NPRR modifies the Black Start Service (BSS) confidential information, contract period, and back-up fuel requirements. Specific changes include the following: The information contained in Section 1B and Exhibit 1 in the Standard Form Black Start Agreement, not including the Hourly Standby Price, Notice and Certification sections, is added to the items considered ERCOT Critical Energy Infrastructure Information; the BSS procurement period is increased from two to four years; Black Start Back-up Fuel requirements add an on-site 72-hour priority fuel requirement that can be waived in whole or in part in order procure a sufficient number or preferred combination of Resources; and also included is an associated Black Start Back-up Fuel attestation, fuel switching test, and a Black Start Back-up Fuel cost recovery opportunity as part of the BSS bid.  **TAC Decision:** On 5/25/22, TAC voted unanimously to recommend approval of NPRR1110 as recommended by PRS in the 5/11/22 PRS Report.  **ERCOT Opinion:** ERCOT supports approval of NPRR1110.  **ERCOT Market Impact Statement:**  ERCOT Staff has reviewed NPRR1110 and believes the market impact for NPRR1110 improves BSS by ensuring adequate fuel supplies for selected Black Start Resources and strengthening the confidentiality of specific Black Start Resource information.   * ***NPRR1119, Removal of Extraneous Language Pertaining to the Calculation of Weekly Generation and Load Resource Capacity Forecasts [ERCOT]***   **Proposed Effective Date:** August 1, 2022  **ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; no impacts to ERCOT computer systems; no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices.  **Revision Description:** This NPRR deletes extraneous Protocol language that should have been removed as part of NPRR978, Alignment with Amendments to PUCT Substantive Rule 25.505.  **TAC Decision:** On 5/25/22, TAC voted unanimously to recommend approval of NPRR1119 as recommended by PRS in the 4/14/22 PRS Report.  **ERCOT Opinion:** ERCOT supports approval of NPRR1119.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1119 and believes it has a positive market impact by fully aligning the Protocol language, as modified by NPRR978, with the P.U.C. Subst. R. 25.505, *Reporting Requirements and the Scarcity Pricing Mechanism in the Electric Reliability Council of Texas Power Region*, and by reducing administrative burden through elimination of redundant Protocol language.   * ***NPRR1121, Add a Posting Requirement to the Exceptional Fuel Cost Submission Process [ERCOT]***   **Proposed Effective Date:** Upon system implementation – Priority 2022; Rank 3590  **ERCOT Impact Analysis:** Between $25k and $45k; no impacts to ERCOT staffing; impacts to Data Management & Analytic Systems, ERCOT Website and MIS Systems, and Channel Management Systems; ERCOT business processes will be updated; no impacts to ERCOT grid operations and practices.  **Revision Description:** This NPRR replaces the Market Notice currently used in the Exceptional Fuel Cost submission process to notify Market Participants when such costs have been submitted for an Operating Day with an automated report.  **TAC Decision:** On 5/25/22, TAC voted unanimously to recommend approval of NPRR1121 as recommended by PRS in the 4/14/22 PRS Report.  **ERCOT Opinion:** ERCOT supports approval of NPRR1121.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1121 and believes that it improves market communication and transparency by replacing the Market Notice currently used in the Exceptional Fuel Cost submission process to notify Market Participants when such costs have been submitted with an automated report.   * ***NPRR1129, Posting ESI IDs of Transmission-Voltage Customer Opt-Outs – URGENT [ERCOT]***   **Proposed Effective Date:** July 15, 2022  **ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; no impacts to ERCOT computer systems; ERCOT business processes will be updated; no impacts to ERCOT grid operations and practices.  **Revision Description:** This NPRR allows ERCOT to post on the ERCOT website a list of Electric Service Identifiers (ESI IDs) of transmission-voltage Customer opt-outs as defined in the Debt Obligation Order (DOO) entered in Public Utility Commission of Texas (PUCT) Docket No. 52322, *Application of Electric Reliability Council of Texas, Inc. for a Debt Obligation Order to Finance Uplift Balances Under PURA Chapter 39, Subchapter N, and for a Good Cause Exception*.  **TAC Decision:** On 5/25/22, TAC voted unanimously to recommend approval of NPRR1129 as recommended by PRS in the 4/14/22 PRS Report with a proposed effective date of July 15, 2022.  **ERCOT Opinion:** ERCOT supports approval of NPRR1129.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1129 and believes the market impact for NPRR1129 establishes processes to post ESI IDs of transmission-voltage Customer opt-outs as reflected in the DOO issued in PUCT Docket No. 53222 and Subchapter N of PURA.   * ***NPRR1130, Weatherization Inspection Fees Sunset Date Extension – URGENT [ERCOT]***   **Proposed Effective Date:** August 1, 2022  **ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; no impacts to ERCOT computer systems; no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices.  **Revision Description:** This NPRR extends the current sunset date of September 1, 2022, to July 31, 2023, for the weatherization inspection fees listed on the ERCOT Fee Schedule.  **TAC Decision:** On 5/25/22, TAC voted unanimously to recommend approval of NPRR1130 as recommended by PRS in the 5/11/22 PRS Report.  **ERCOT Opinion:** ERCOT supports approval of NPRR1130.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1130 and believes the market impact for NPRR1130 improves regulatory requirements by extending the sunset date for weatherization inspection fees until after PUCT is projected to conclude its Phase II rulemaking activity regarding P.U.C. Subst. R. 25.55, *Weather Emergency Preparedness*.   * ***PGRR100, Steady-State Case Building Timeline Update [CenterPoint]***   **Proposed Effective Date:** January 1, 2023  **ERCOT Impact Analysis:** No budgetary impact; no impacts to ERCOT staffing; no impacts to ERCOT computer systems; ERCOT business processes will be updated; no impacts to ERCOT grid operations and practices.  **Revision Description:** This PGRR revises the Annual Planning Model base case update frequency from triannual to biannual to align with the intention of the Steady State Working Group (SSWG) to adjust its current case building schedule to a biannual basis. This PGRR also ensures the continued production of Transmission Project Information and Tracking (TPIT) reports on a triannual basis.  **TAC Decision:** On 5/25/22, TAC voted unanimously to recommend approval of PGRR100 as recommended by ROS in the 5/5/22 ROS Report.  **ERCOT Opinion:** ERCOT supports approval of PGRR100.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed PGRR100 and believes the market impact for PGRR100 increases the efficiency and capability of the SSWG case build by allowing a longer case build duration during each update.  The TAC Reports and Impact Analyses for these Revision Requests are included in the [ERCOT Board meeting materials](https://www.ercot.com/calendar/event?id=1652123528276).  In addition, these Revision Requests ([NPRRs](https://www.ercot.com/mktrules/issues/nprr), and [PGRR](http://www.ercot.com/mktrules/issues/pgrr)) and supporting materials are posted on the ERCOT website. |
| **Key Factors Influencing Issue:** The PRS met, discussed the issues, and submitted reports to TAC regarding NPRRs 1100, 1110, 1119, 1121, 1129, and 1130.  The ROS met, discussed the issues, and submitted reports to TAC regarding PGRR100. |
| **Conclusion/Recommendation:** As more specifically described above, TAC recommends that the Board recommend approval of NPRRs 1100, 1110, 1119, 1121, 1129, and 1130; and PGRR100. |

**ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.**

**BOARD OF DIRECTORS RESOLUTION**

WHEREAS, after due consideration of the alternatives, the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) deems it desirable and in the best interest of ERCOT to recommend approval of the following Nodal Protocol Revision Requests (NPRRs) and Planning Guide Revision Request (PGRR) recommended for approval by TAC:

* NPRR1100, Allow Generation Resources and Energy Storage Resources to Serve Customer Load When the Customer and the Resource are Disconnected from the ERCOT System – URGENT;
* NPRR1110, Black Start Requirements Update;
* NPRR1119, Removal of Extraneous Language Pertaining to the Calculation of Weekly Generation and Load Resource Capacity Forecasts;
* NPRR1121, Add a Posting Requirement to the Exceptional Fuel Cost Submission Process;
* NPRR1129, Posting ESI IDs of Transmission-Voltage Customer Opt-Outs – URGENT;
* NPRR1130, Weatherization Inspection Fees Sunset Date Extension – URGENT; and
* PGRR100, Stead-State Case Building Timeline Update.

THEREFORE, BE IT RESOLVED, that the Board hereby recommends approval of NPRRs 1100, 1110, 1119, 1121, 1129, and 1130; and PGRR100.

**CORPORATE SECRETARY’S CERTIFICATE**

I, Jonathan M. Levine, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its June 21, 2022 meeting, the Board passed a motion approving the above Resolution by \_\_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_ day of June 2022.

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Jonathan M. Levine

Assistant Corporate Secretary