



Item 5: Report on TAC Structural and Procedural Review

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Reliability and Markets Committee Meeting

ERCOT Public
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TAC Structural and Procedural Review

Refinements from June 25 TAC Meeting

TAC Interaction with Board and Reliability & Markets Committee

- TAC reports to the Board all activities and decisions rendered by TAC – no change
- R&M Committee Interactions
 - TAC Chair & Vice Chair to meet with the full Committee
 - Advise and educate regarding TAC decisions
 - Provide counter-position explanations
 - Interested parties may want to provide additional color to specific issues at times

Appeals of TAC Action

- TAC recommendation:
 - Appeals process remains unchanged (i.e. appellant appeals TAC action directly to ERCOT Board)
 - Appellant and TAC advocate make case to R&M to allow R&M to provide an opinion to the full Board, if R&M chooses

PUCT Directed Revision Requests

- Applicable only to PUCT directed RRs (approved orders)
 1. ERCOT to draft Revision Request (“RR”) & Impact Analysis
 2. RR is filed directly with TAC at least 7 days before the next TAC meeting (does not go to PRS or elsewhere). Will be designated a “Board Priority” RR.
 - Recommend Protocol change such that all Board Priority RRs go directly to TAC as opposed to PRS.
 3. TAC can choose to endorse and advance RR to Board or refer to subcommittees for an opinion
 - If referred to subcommittees, TAC may require a time certain for the RR to be brought back to TAC
 - TAC shall hold special meetings as necessary to advance a RR
 - If time allows, any TAC subcommittee can provide comments to TAC without referral.
 4. TAC must file comments for consideration at next Board meeting
 - If TAC cannot make a recommendation to RMC/Board, then TAC still files comments explaining why it needs more time
 5. Board approval
- Interested parties still retain the opportunity to file comments or appeal as appropriate
- TAC members supportive, but wanted to raise concerns regarding an accelerated process:
 - TAC opportunity to comment will help minimize unintended consequences
 - Process may result in increased appeals to Courts as opposed to hashing through the issues at ERCOT

Revision Request Shot Clock

- A process to move RRs through the process has been expressed as a desirable outcome, particularly if the RR has languished in the process
- Can be used to move forward an existing NPRR for which the PUCT has explicitly stated they would like moved forward
- Cannot be used at first introduction of RR to PRS – Urgent RR process exists for this purpose.
- Does not supersede any timelines identified in Protocols for Impact Analysis or otherwise
- TAC recommendation:
 - Amend the TAC procedures so that a decisive vote must be taken at TAC or TAC Subcommittee if requested by the NPRR sponsor, or ERCOT in the event the PUCT speaks to moving a NPRR forward
 - A seconding of the motion/request is not required
 - The sponsor is the sponsoring entity, and not the sponsoring individual
 - A motion to table will not be allowed to trump a request for a decisive vote
 - A failed vote on the RR is appealable through the normal appeals process

TAC Member Qualifications

- 5 years of electric industry experience in one of the below areas:
 - Regulatory
 - Markets (Wholesale or Retail)
 - Operations (Transmission, QSE, or Generation)
 - Finance
 - Employer or sponsor certification that TAC member is authorized to make segmental decisions
 - Form of certification to be determined – ERCOT and stakeholders to jointly develop
 - Alternate representatives designated for a meeting must meet the same standards
- *Exemptions for OPUC and TAC Residential Consumer for these requirements*

TAC Subcommittee Structure

- Opportunities to consolidate or eliminate subcommittees was discussed
- Possible elimination of PRS was offered with duties assumed by TAC
- TAC recommendation:
 - ROS, RMS, and WMS align core areas of ERCOT's mission, require different knowledge sets, and should therefore be retained
 - Retain PRS
 - Stakeholders and ERCOT agree that it offers an area of stabilization of RRs from which comprehensive Impact Analyses (IAs) are drafted
 - No meaningful time savings realized with its elimination
 - Manages the prioritization of projects
 - Review following IA construction results in reprioritization or changes to the RR at times to improve the IA outcomes

Assumption of Credit Working Group Tasks

- TAC is prepared to take on role of Credit Working Group (“CWG”) if RMC chooses to disband CWG
- Can leverage existing Market Credit Working Group, a WMS subgroup, to provide that feedback
 - MCWG frequently meets with CWG and shares the expertise and knowledge of CWG
- Process can be developed to assimilate that feedback through the TAC reports to RMC and the Board
- Expect qualifications to be developed for representatives providing credit input

TAC Next Steps

- Subcommittees and Working Groups are to conduct their own reflection
 - Sunset consideration
 - Scope
 - Open Action Items
 - Time/meeting management
 - Overlaps
 - Procedures
- TAC to hold off-cycle September meeting to discuss feedback from Subcommittees, Working Groups and Task Forces
- Review of overall appeal process from PRS to the Board
- Develop plans to assimilate CWG tasks into TAC processes

Questions?