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| NPRR Number | [1136](https://www.ercot.com/mktrules/issues/NPRR1136) | NPRR Title | Updates to Language Regarding a QSE Moving Ancillary Service Responsibility Between Resources |
| Date of Decision | September 15, 2022 |
| Action | Approved |
| Timeline  | Normal |
| Effective Date | Upon system implementation |
| Priority and Rank Assigned | Priority – 2023; Rank – 3720 |
| Nodal Protocol Sections Requiring Revision  | 4.4.7.3, Ancillary Service Trades6.4.7, QSE-Request Decommitment of Resources and Changes to Ancillary Service Resource Responsibility of Resources  |
| Related Documents Requiring Revision/Related Revision Requests | ERCOT and QSE Operations Practices During the Operating Hour |
| Revision Description | This Nodal Protocol Revision Request (NPRR) makes changes to reflect the logic that will be in place after the implementation of Fast Frequency Response (FFR) Advancement project, the next phase of implementation for NPRR863, Creation of ERCOT Contingency Reserve Service and Revisions to Responsive Reserve. Specifically, the NPRR adds new paragraph (5) of Section 4.4.7.3 to align with language in Section 6.4.7. These changes are for clarity only, and do not modify the system design.The new paragraph (6) of Section 4.4.7.3 is an additional check that needs to be in place to ensure a Qualified Scheduling Entity (QSE) does not replace a Regulation Service with Fast Responding Regulation Service (FRRS). This section does not need to be addressed in the FFR Advancement implementation, and it is ERCOT’s intent to implement this logic change in a future project. |
| Reason for Revision |  Addresses current operational issues. Meets Strategic goals (tied to the [ERCOT Strategic Plan](https://www.ercot.com/files/docs/2018/12/13/ERCOT_Strategic_Plan_2019-2023.pdf) or directed by the ERCOT Board). Market efficiencies or enhancements Administrative Regulatory requirements Other: (explain)*(please select all that apply)* |
| Business Case | The current Protocol language and system logic regarding allowable Ancillary Service Trades and changes to Ancillary Service Resource Responsibility do not align with cases in which different types of Resources can provide the same sub-type of Ancillary Service or cases in which the same type of Resources can provide multiple sub-types of the same Ancillary Service. This proposed language will better align with the implementation of current and future Ancillary Service frameworks and will give QSEs increased flexibility for managing Ancillary Services while ensuring ERCOT can maintain any limits that are in place for Ancillary Service sub-types. |
| Credit Work Group Review | ERCOT Credit Staff and the Credit Work Group (Credit WG) have reviewed NPRR1136 and do not believe that it requires changes to credit monitoring activity or the calculation of liability. |
| PRS Decision | On 6/9/22, PRS voted unanimously to recommend approval of NPRR1136 as submitted. All Market Segments participated in the vote.On 7/13/22, PRS voted unanimously to endorse and forward to TAC the 6/9/22 PRS Report and 5/18/22 Impact Analysis for NPRR1136 with a recommended priority of 2023 and rank of 3720. All Market Segments participated in the vote. |
| Summary of PRS Discussion | On 6/9/22, ERCOT Staff provided an overview of NPRR1136.On 7/13/22, there was no discussion. |
| TAC Decision | On 7/27/22, TAC voted unanimously to recommend approval of NPRR1136 as recommended by PRS in the 7/13/22 PRS Report. All Market Segments participated in the vote. |
| Summary of TAC Discussion | On 7/27/22, TAC reviewed the ERCOT Opinion and Market Impact Statement for NPRR1136. |
| ERCOT Opinion | ERCOT supports approval of NPRR1136. |
| ERCOT Market Impact Statement | ERCOT Staff has reviewed NPRR1136 and believes the market impact for NPRR1136 clarifies Protocol language and provides increased flexibility to QSEs in managing their Ancillary Service Supply Responsibility. |
| ERCOT Board Decision | On 8/16/22, the ERCOT Board voted unanimously to recommend approval of NPRR1136 as recommended by TAC in the 7/27/22 TAC Report. |
| PUCT Decision | On 9/15/22, the PUCT approved NPRR1136 and accompanying ERCOT Market Impact Statement as presented in Project No. 52934, Review of Rules Adopted by the Independent Organization. |

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| Market Segment | Not applicable |

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| **Comments Received** |
| Comment Author | **Comment Summary** |
| None |  |

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| **Market Rules Notes** |

None

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| Proposed Protocol Language Revision |

4.4.7.3 Ancillary Service Trades

(1) An Ancillary Service Trade is the information for a QSE-to-QSE transaction that transfers an obligation to provide Ancillary Service capacity between a buyer and a seller.

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| ***[NPRR1008: Replace paragraph (1) above with the following upon system implementation of the Real-Time Co-Optimization (RTC) project:]***(1) An Ancillary Service Trade is the information for a QSE-to-QSE transaction that transfers an obligation to provide Ancillary Service capacity or purchase Ancillary Services in the Real-Time Market (RTM) between a buyer and a seller. |

(2) An Ancillary Service Trade that is reported to ERCOT by 1430 in the Day-Ahead changes the Ancillary Service Supply Responsibility of the buyer and seller in the DRUC process. An Ancillary Service Trade that is reported to ERCOT after 1430 in the Day-Ahead changes the Ancillary Service Supply Responsibility of the buyer and seller in any applicable HRUC process, the deadline for which is after the trade is submitted.

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| ***[NPRR1008: Replace paragraph (2) above with the following upon system implementation of the Real-Time Co-Optimization (RTC) project:]***(2) An Ancillary Service Trade that is reported to ERCOT by 1430 in the Day-Ahead changes the Ancillary Service Position of the buyer and seller in the DRUC process. An Ancillary Service Trade that is reported to ERCOT after 1430 in the Day-Ahead changes the Ancillary Service Position of the buyer and seller in any applicable HRUC process, the deadline for which is after the trade is submitted. |

(3) As soon as practicable, ERCOT shall notify each QSE through the Messaging System of any of its Ancillary Service Trades that are invalid Ancillary Service Trades. The QSE may correct and resubmit any invalid Ancillary Service Trade, but the reporting time of the trade is determined by when the validated Ancillary Service Trade was submitted and not when the original invalid Ancillary Service Trade was submitted.

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| ***[NPRR863, NPRR1008, and NPRR1015: Insert applicable portions of paragraphs (4)-(6) below upon system implementation of NPRR863 for NPRR863 and NPRR1015; or upon system implementation of the Real-Time Co-Optimization (RTC) project for NPRR1008; and renumber accordingly:]***(4) A QSE with an Ancillary Service Position for ECRS, originally designated to be provided by a Generation Resource, may transfer that portion of its Ancillary Service Position via Ancillary Service Trade(s) to another QSE only if that QSE designates the ECRS will be provided by a Generation Resource. (5) A QSE with an Ancillary Service Position for ECRS, originally designated to be provided by a Load Resource providing ECRS triggered with or without under-frequency relays set at 59.70 Hz, may transfer that portion of its Ancillary Service Position via Ancillary Service Trade(s) to another QSE only if that QSE designates the ECRS will be provided by either: (a) A Generation Resource; or (b) A Load Resource providing ECRS triggered with or without under-frequency relays set at 59.70 Hz. (6) The table below shows the ECRS trades that are allowed for each type of original responsibility:

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|  | **Allowable ECRS Ancillary Service Trades** |
| **Original Responsibility** | **SCED-dispatchable ECRS** | **Manually dispatched ECRS** |
| SCED-dispatchable ECRS | Yes | No |
| Manually dispatched ECRS | Yes | Yes |

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(4) The table below shows the RRS trades that are allowed for each type of original responsibility:

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|  | **Allowable RRS Ancillary Service Trades** |
| **Original Responsibility** | **Generation Resource** | **Resource capable of FFR triggered at 59.85 Hz** | **Load Resource triggered at 59.7 Hz** |
| Generation Resource | Yes | No | No |
| Resource providing FFR triggered at 59.85 Hz | Yes | Yes | Yes |
| Load Resource triggered at 59.7 Hz | Yes | No | Yes |

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| ***[NPRR1015: Replace paragraph (4) above with the following upon system implementation of NPRR863:]***(4) The table below shows the RRS trades that are allowed for each type of original responsibility:

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|  | **Allowable RRS Ancillary Service Trades** |
| **Original Responsibility** | **Resource providing Primary Frequency Response** | **Resource providing FFR triggered at 59.85 Hz** | **Load Resource triggered at 59.7 Hz** |
| Resource providing Primary Frequency Response | Yes | No | No |
| Resource providing FFR triggered at 59.85 Hz | Yes | Yes | Yes |
| Load Resource triggered at 59.7 Hz | Yes | No | Yes |

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(5) The table below shows the Non-Spinning Reserve (Non-Spin) trades that are allowed for each type of original responsibility:

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| **Allowable Non-Spin Ancillary Service Trades** |
| **Original Responsibility** | **Generation Resource or Controllable Load Resource** | **Load Resource other than a Controllable Load Resource** |
| Generation Resource or Controllable Load Resource | Yes | No |
| Load Resource other than a Controllable Load Resource | Yes | Yes |

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| ***[NPRR1136 Insert paragraph (6) below upon system implementation:]***(6) The table below shows the Regulation Service trades that are allowed for each type of original responsibility. The same limitations apply separately to both Regulation Up Service (Reg-Up) and Regulation Down Service (Reg-Down):

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|  | **Allowable Regulation Ancillary Service Trades** |
| **Original Responsibility** | **Regulation Service that is not FRRS** | **FRRS** |
| Regulation Service that is not Fast Responding Regulation Service (FRRS) | Yes | No |
| FRRS | Yes | Yes |

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6.4.7 QSE-Requested Decommitment of Resources and Changes to Ancillary Service Resource Responsibility of Resources

(1) A Resource must remain committed during any Reliability Unit Commitment (RUC)-Committed Interval or RUC Buy-Back Hour unless the Resource has a Forced Outage.

(2) In the Operating Period, a QSE may request to decommit a Resource other than a Quick Start Generation Resource (QSGR) for any interval that is not a RUC-Committed Interval or RUC Buy-Back Hour by verbally requesting ERCOT to consider its request.

(3) In the Operating Period, a QSE may decommit a QSGR without any request for any interval that is neither a RUC-Committed Interval, a RUC Buy-Back Hour, nor an interval in which a manual override by the ERCOT Operator has been given.

(4) In the Adjustment Period, a QSE may request to decommit a Resource for any interval that is not a RUC-Committed Interval or RUC Buy-Back Hour by indicating a change in unit status in the QSE’s COP, unless the Resource received a Weekly Reliability Unit Commitment (WRUC) instruction for the hour. A QSE may request to decommit a Resource for any interval that is a WRUC-instructed Interval and that is not a RUC-Committed Interval or RUC Buy-Back Hour by verbally requesting ERCOT to consider its request.

(5) In the Adjustment Period, a QSE may request ERCOT approval for moving an Ancillary Service Resource Responsibility from one Resource to another Resource by changing its COP, provided that the QSE complies with its total Ancillary Service Supply Responsibility. Any Ancillary Services transfer must be in alignment with the allowable Ancillary Service Trades, as described in Section 4.4.7.3, Ancillary Service Trades. A QSE may transfer Ancillary Service Resource Responsibility for any Ancillary Service to an eligible Resource that has been opted out of RUC Settlement. ERCOT shall use the Hourly Reliability Unit Commitment (HRUC) and other processes to study the move and if Ancillary Services become infeasible as a result of the proposed move, ERCOT shall follow the provisions of Section 6.4.9.1.2, Replacement of Infeasible Ancillary Service Due to Transmission Constraints.

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| [NPRR1092: Replace paragraph (5) above with the following upon system implementation:](5) In the Adjustment Period, a QSE may request ERCOT approval for moving an Ancillary Service Resource Responsibility from one Resource to another Resource by changing its COP, provided that the QSE complies with its total Ancillary Service Supply Responsibility. Any Ancillary Services transfer must be in alignment with the allowable Ancillary Service Trades, as described in Section 4.4.7.3, Ancillary Service Trades. A QSE may transfer Ancillary Service Resource Responsibility for any Ancillary Service to an eligible Resource that has been opted out of RUC Settlement. ERCOT shall use the Hourly Reliability Unit Commitment (HRUC) and other processes to study the move and if Ancillary Services become infeasible as a result of the proposed move, ERCOT shall follow the provisions of Section 6.4.9.1.2, Replacement of Infeasible Ancillary Service Due to Transmission Constraints. |

(6) In the Operating Period, a QSE shall only provide an Ancillary Service from a Resource which was reported to ERCOT in the COP to be providing that Ancillary Service for the effective Operating Hour unless modified pursuant to paragraph (7) below.

(7) A QSE may vary the quantity of the Ancillary Service Resource Responsibility on Resources, through telemetry, during the time window beginning 30 seconds prior to a five-minute clock interval and ending ten seconds prior to that five-minute clock interval, provided that the QSE complies with its total Ancillary Service Supply Responsibility. Any Ancillary Services transfer must be in alignment with the allowable Ancillary Service Trades, as described in Section 4.4.7.3.

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| [NPRR1010: Replace Section 6.4.7 above with the following upon system implementation of the Real-Time Co-Optimization (RTC) project:]***6.4.7 QSE-Requested Decommitment of Resources*** (1) A Resource must remain committed during any Reliability Unit Commitment (RUC)-Committed Interval or RUC Buy-Back Hour unless the Resource has a Forced Outage.(2) In the Operating Period, a QSE may request to decommit a Resource other than a Quick Start Generation Resource (QSGR) for any interval that is not a RUC-Committed Interval or RUC Buy-Back Hour by verbally requesting ERCOT to consider its request.(3) In the Operating Period, a QSE may decommit a QSGR without any request for any interval that is neither a RUC-Committed Interval, a RUC Buy-Back Hour, nor an interval in which a manual override by the ERCOT Operator has been given. (4) In the Adjustment Period, a QSE may request to decommit a Resource for any interval that is not a RUC-Committed Interval or RUC Buy-Back Hour by indicating a change in unit status in the QSE’s COP, unless the Resource received a Weekly Reliability Unit Commitment (WRUC) instruction for the hour. A QSE may request to decommit a Resource for any interval that is a WRUC-instructed Interval and that is not a RUC-Committed Interval or RUC Buy-Back Hour by verbally requesting ERCOT to consider its request. |