**DRAFT**

**Minutes of the Wholesale Market Subcommittee (WMS) Meeting**

**ERCOT Austin – 8000 Metropolis Drive (Building E), Suite 100 – Austin, Texas 78744**

**Wednesday, September 7, 2022 – 9:30 a.m.**

Attendance

*Members:*

|  |  |  |
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|  |  |  |
| Allen, Thresa | Avangrid Renewables (Avangrid) | Via Teleconference |
| Barnes, Bill  | Reliant Energy Retail Services (Reliant) |  |
| Bierschbach, Erika | Austin Energy | Via Teleconference |
| Blakey, Eric  | Pedernales Electric Cooperative (PEC) | Alt. Rep. for Christian Powell |
| Bonskowski, Ned | Luminant Corporation (Luminant) | Alt. Rep. for Ian Haley |
| Burke, Tom | RWE Renewables  |  |
| Cochran, Seth | DC Energy |  |
| Couch, Andrea | Texas-New Mexico Power (TNMP) | Via Teleconference |
| DeLeon, Amanda | Tenaska Power Services (Tenaska) | Via Teleconference |
| Detelich, David | CPS Energy | Via Teleconference |
| Farhangi, Anoush | Demand Control 2 | Via Teleconference |
| Franklin, Russell | Garland Power & Light (GP&L) | Via Teleconference |
| Foster, Ashley | The Dow Chemical Company (Dow) | Via Teleconference |
| Goff, Eric | Residential Consumer |  |
| Gross, Blake | AEP Service Corporation (AEPSC) |  |
| Hanson, Kevin | National Grid Renewables  | Via Teleconference |
| Hunsaker, David | Chariot Energy | Via Teleconference |
| Lee, Jim | CenterPoint Energy (CNP) | Alt. Rep. for Perrin Wall |
| Lindberg, Ken | Bryan Texas Utilities (BTU)  | Via Teleconference |
| Mauldin, Jamie | City of Eastland |  |
| Nguyen, Andy | Lower Colorado River Authority (LCRA) |  |
| Powell, Christian | Pedernales Electric Cooperative (PEC) | Via Teleconference |
| Ritch, John | Gexa Energy |  |
| Sams, Bryan | Calpine Corporation (Calpine) |  |
| Surendran, Resmi | Shell Energy North America (SENA) | Via Teleconference |
| Turner, Lucas | South Texas Electric Cooperative (STEC) | Alt. Rep. for Clif Lange |
| Velasquez, Ivan | Oncor Electric Delivery (Oncor) |  |
| Wilson, Joe Dan | Golden Spread Electric Cooperative (GSEC) | Via Teleconference |

*Guests:*

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|  |  |  |
| Aldridge, Ryan | AB Power Advisors | Via Teleconference |
| Anderson, Connor | AB Power Advisors | Via Teleconference |
| Anderson, Kevin | CES | Via Teleconference |
| Benson, Mariah | PUCT |  |
| Bivens, Carrie  | Potomac Economics |  |
| Blackburn, Don | Hunt Energy Network | Via Teleconference |
| Booth, Daniel | TexGen Power | Via Teleconference |
| Breshears, Doug | Brazos Electric Cooperative (Brazos) | Via Teleconference |
| Bunch, Kevin | EDF Trading | Via Teleconference |
| Camet, Brooke | OPUC | Via Teleconference |
| Campo, Curtis | City of Garland | Via Teleconference |
| Coleman, Diana | CPS Energy | Via Teleconference |
| Cortez, Sarai | Trailstone Energy Management |  |
| Daigneault, Ralph | Potomac Economics | Via Teleconference |
| Dollar, Zachary | PUCT | Via Teleconference |
| Fazio, Danielle | Engelhart CTP | Via Teleconference |
| Foos, Richard | Citadel | Via Teleconference |
| Gardner, Clint | LP&L | Via Teleconference |
| Headrick, Bridget | CES | Via Teleconference |
| Helton, Bob | ENGIE | Via Teleconference |
| Henson, Martha | Oncor | Via Teleconference |
| Hubbard, John  | TIEC |   |
| Huynh, Thuy | Potomac Economics | Via Teleconference |
| Jewell, Michael | Plus Power, Enel | Via Teleconference |
| Jones, Randy | Mountaineer Market Advisors | Via Teleconference |
| Kee, David | CPS Energy | Via Teleconference |
| Krajecki, Jim | CES | Via Teleconference |
| Lacek, Mollie | Talen Energy | Via Teleconference |
| Lotter, Eric | GridMonitor | Via Teleconference |
| Matt, Kevin | NRG | Via Teleconference |
| Noyes, Theresa | LCRA | Via Teleconference |
| Pokharel, Nabaraj | OPUC | Via Teleconference |
| Ramaswamy, Ramya | PUCT | Via Teleconference |
| Reid, Walter | Advanced Power Alliance | Via Teleconference |
| Rich, Katie | GSEC |   |
| Sager, Brenden | Austin Energy | Via Teleconference |
| Siddiqi, Shams | Crescent Power Consulting | Via Teleconference |
| Sithuraj, Murali | Austin Energy | Via Teleconference |
| Smith, Chase | Southern Power Company | Via Teleconference |
| Taipalus, Darice | TNMP | Via Teleconference |
| Townsend, Aaron | Potomac Economics | Via Teleconference |
| True, Roy | ACES Power | Via Teleconference |
| Uy, Manny | Hunt Energy | Via Teleconference |
| Walcavich, Colin | National Grid Renewables | Via Teleconference |
| White, Lauri | AEPSC | Via Teleconference |
| Williams, Wes | BTU | Via Teleconference |
| Wittmeyer, Bob | Longhorn Power | Via Teleconference |
| Zarnikau, Jay | University of Texas | Via Teleconference |

*ERCOT Staff:*

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| --- | --- | --- |
|  |  |  |
| Albracht, Brittney |  |  |
| Anderson, Troy |  | Via Teleconference |
| Bigbee, Nathan |  | Via Teleconference |
| Billo, Jeff |  | Via Teleconference |
| Boren, Ann |  | Via Teleconference |
| Clifton, Suzy |  |   |
| Garcia, Freddy |  | Via Teleconference |
| Gonzalez, Ino |  |   |
| Holden, Curry |  | Via Teleconference |
| Holt, Blake |  | Via Teleconference |
| Maggio, Dave |  |   |
| Mago, Nitika |  | Via Teleconference |
| Mantena, Dan |  | Via Teleconference |
| Maul, Donald |  | Via Teleconference |
| Moreno, Alfredo |  | Via Teleconference |
| Phillips, Cory |  | Via Teleconference |
| Rosel, Austin |  | Via Teleconference |
| Ruane, Mark |  | Via Teleconference |
| Sanchez, Daniel |  | Via Teleconference |
| Solis, Stephen |  | Via Teleconference |
| Stice, Clayton |  | Via Teleconference |
| Warnken, Pete |  | Via Teleconference |
| Wasik-Gutierrez, Erin |  | Via Teleconference |

*Unless otherwise indicated, all Market Segments participated in the votes.*

Antitrust Admonition

Resmi Surendran directed attention to the Antitrust Admonition, which was displayed.

Agenda Review

There were no changes to the agenda.

Approval of WMS Meeting Minutes

*August 3, 2022*

This item was deferred to the October 12, 2022 WMS Meeting.

ERCOT Operations and Market Items (see Key Documents)[[1]](#footnote-1)

*August 25, 2022 Market Notice - MMS Error for DESRs Impacting the DAM and RTM Load Zone Calculations*

Dave Maggio summarized Market Notice M-A082522-01, stated that ERCOT identified software errors in the Market Management Systems (MMS) related to Nodal Protocol Revision Request (NPRR) 1016, Clarify Requirements for Distribution Generation Resources (DGRs) and Distribution Energy Storage Resources (DESRs) that impacted Load Zone prices in in the Real-Time Market (RTM) and Day-Ahead Market (DAM), reviewed the potential price corrections for specific Operating Days (ODs) where accurate pricing was available, noted that ERCOT has resolved the issues, and stated that for any Operating Days meeting the criteria for significance, ERCOT will seek a review of prices at the October 18, 2022 Board Meeting.

New Protocol Revision Subcommittee (PRS) Referrals (see Key Documents)

*NPRR1143, Provide ERCOT Flexibility to Determine When ESRs May Charge During an EEA Level 3*

Ms. Surendran noted NPRR1143 discussion at the August 30, 2022 Wholesale Market Working Group (WMWG) meeting. Market Participants requested further review of the issues at WMWG. Ms. Surendran noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

*NPRR1144, Station Service Backup Power Metering*

Michael Jewell summarized NPRR1144, the 8/17/22 Joint Commenters comments, discussion at the August 25, 2022 Metering Working Group (MWG) meeting, and the 8/29/22 Joint Commenters comments. Some Market Participants requested additional time to review the issues. Ms. Surendran noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

*NPRR1145, Use of State Estimator-Calculated ERCOT-Wide TLFs in Lieu of Seasonal Base Case ERCOT-Wide TLFs for Settlement*

Market Participants reviewed NPRR1145 and the ERCOT analysis in response to a request from LCRA, and requested review of the issues by WMWG. Ms. Surendran noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

WMWG (see Key Documents)

Bryan Sams reviewed WMWG activities.

Revision Requests Tabled at PRS or ROS and Referred to WMS (see Key Documents)

*NPRR1067, Market Entry Qualifications, Continued Participation Requirements, and Credit Risk Assessment*

*NPRR1070, Planning Criteria for GTC Exit Solutions*

*NPRR1132, Communicate Operating Limitations during Cold and Hot Weather Conditions*

*NPRR1138, Communication of Capability and Status of Online IRRs at 0 MW Output*

*Nodal Operating Guide Revision Request (NOGRR) 215, Limit Use of Remedial Action Schemes*

WMS took no action on these items.

*NPRR981, Day-Ahead Market Price Correction Process*

Mr. Sams summarized NPRR981 discussion at the August 30, 2022 WMWG meeting. Market Participants opposed to NPRR981 opined there is no perfect solution for the price correction process. Other Market Participants expressed support for concepts in NPRR981, but noted that the issues are not a priority in the Stakeholder process at this time. Ned Bonskowski stated that Luminant would withdraw NPRR981, and may refile a Request Revision to address the issues at a later date. WMS took no action at this item.

*NPRR1126, Default Uplift Allocation Enhancement*

Seth Cochran reminded Market Participants of the NPRR1126 discussion at the August 3, 2022 WMS meeting, reviewed the 6/30/22 DC Energy comments, presented additional ERCOT analysis of 2021 events, and summarized the benefits NPRR1126. Carrie Bivens stated that the Independent Market Monitor (IMM) supports NPRR1126 as it would improve market liquidity and that the current default uplift allocation methodology is unbalanced. Some Market Participants opposed to NPRR1126 opined that the proposed methodology used an arbitrary number and expressed concern for cost shifting impacts. Austin Rosel reviewed the analysis of various scenarios and factor values that showed the impact to Qualified Scheduling Entities (QSEs) and Congestion Revenue Right (CRR) Account Holders uplift exposure based on changes to the methodology as presented at previous Credit Work Group (Credit WG) and Market Credit Working Group (MCWG) meetings.

**Eric Goff moved to recommend PRS reject NPRR1126. Lucas Turner seconded the motion. The motion carried with two objections from the Independent Power Marketer (IPM) (DC Energy, NG Renewables) Market Segment, and nine abstentions from the Cooperative (LCRA), Independent Generator (Avangrid), IPM (2) (SENA, Tenaska), Independent Retail Electric Provider (IREP) (Reliant), Investor Owned Utility (IOU) (2) (AEPSC, CNP) and Municipal (2) (BTU, GP&L) Market Segments.** *(Please see ballot posted with Key Documents.)*

Revision Requests Tabled at WMS (see Key Documents)

*Verifiable Cost Manual Revision Request (VCMRR) 031, Clarification Related to Variable Costs in Fuel Adders*

*VCMRR033, Excluding Exceptional Fuel Costs from Fuel Adders*

*VCMRR034, Excluding RUC Approved Fuel Costs from Fuel Adders*

*VCMRR035, Allow Verified Contractual Costs in Fuel Adder Calculation*

WMS took no action on these items.

MCWG (see Key Documents)

Brenden Sager reviewed MCWG activities.

Congestion Management Working Group (CMWG) (see Key Documents)

Katie Rich summarized CMWG activities.

Supply Analysis Working Group (SAWG) (see Key Documents)

Pete Warnken reviewed SAWG activities.

MWG (see Key Documents)

Doug Breshears reviewed MWG activities.

Other Business (see Key Documents)

*Major Transmission Elements (MTE) List (Waive Notice)*

**Blake Gross moved to waive notice to consider the MTE List. Jim Lee seconded the motion. The motion carried unanimously.** *(Please see ballot posted with Key Documents.)*

Market Participants reviewed the MTE List. Ms. Surendran noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

*September 12, 2022 Annual TAC Subcommittee Structural Review*

Ms. Surendran noted that additional clarifications were not received for the WMS Subcommittee and Working Group Review presented at the August 3, 2022 WMS meeting, and encouraged Market Participants to attend the September 12, 2022 TAC and TAC Subcommittee Structural and Procedural Review by Webex only.

*2023 Meeting Schedule*

Market Participants reviewed the Draft 2023 Block Meeting Calendar. There were no objections.

*Review Open Action Items*

Ms. Surendran noted that at the July 27, 2022 Technical Advisory Committee (TAC) Meeting concerns were expressed regarding the July 13, 2022 ERCOT Conservation Appeal and the ERCOT approach in using the installed capacity calculation rather than the seasonal net maximum, and that TAC had requested WMS review the issues, but this was not brought forward at the August 3, 2022 WMS meeting. Market Participants discussed the issues and requested review of the issues by the WMWG.

*No Report*

* Demand Side Working Group (DSWG)
* Market Settlement Working Group (MSWG)
* Resource Cost Working Group (RCWG)

Combined Ballot

**Eric Blakey moved to approve the Combined Ballot as follows:**

* **To request PRS continue to table NPRR1143 for further review by WMWG**
* **To request PRS continue to table NPRR1144**
* **To request PRS continue to table NPRR1145 for further review by WMWG**
* **To endorse the MTE List as presented**

**Andy Nguyen seconded the motion. The motion carried unanimously.** *(Please see ballot posted with Key Documents.)*

Adjournment

Ms. Surendran adjourned the September 7, 2022 WMS meeting at 12:13 p.m.

1. Key Documents referenced in these minutes may be accessed on the ERCOT website at:

<https://www.ercot.com/calendar/event?id=1623079977590> [↑](#footnote-ref-1)