



Item 4: Report on Annual TAC and Subcommittee Structural/Procedural Review

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2022 Technical Advisory Committee (TAC) Vice
Chair

Reliability and Markets Committee Meeting

ERCOT Public
October 17, 2022

Summary of TAC Review – Annual Process

- In an effort to improve TAC’s existing processes and organizational structure for the purpose of enhancing efficiency, effectiveness, and aligning its structure to meet goals and the Board’s objectives, TAC annually reviews its existing structure and procedures.
- TAC leadership hosted a meeting on September 12, 2022 to initiate the annual review and solicit input from stakeholders on the following items:
 - Alignment of TAC Goals and Approved Revision Requests with ERCOT Strategic Plan Objectives
 - Subcommittee/Working Group/Task Force Assessment
 - Priority Revision Request Process
 - Credit Work Group Reporting/Structure
 - TAC Representative Qualifications
- The resulting recommendations were considered and endorsed at the September 28, 2022 TAC meeting.

Alignment of TAC Goals with ERCOT Strategic Plan Objectives

Of the Revision Requests approved to date, they have the following alignment with ERCOT Strategic Plan Objectives:

- Optimize use of ERCOT, Inc.'s Resources – 15%
- Enhance Operating Capabilities – 30%
- Advance Competitive Solutions – 52%
- Improve Information Exchange – 3%

Additional 2022 TAC Endorsements/Approvals

- Completed review of the Emergency Conditions List
- Recommended approval of the change to the HCAP parameter from \$9,000/MWh to \$5,000/MWh
- Formed the Large Flexible Loads Task Force (LFLTF)
- Endorsed the following Southern Cross Directives
 - Directive 1, Registration and Market Segment
 - Directive 6, Determination Regarding Any Needed Transmission Upgrades
 - Directive 8, Voltage Support
 - Directive 11, Cost Allocation
 - Directive 12, QSE Costs
- Endorsed changes to the Ancillary Services Methodology revisions on minimum capacity required from SCED dispatchable Resources to provide Non-Spin
- Recommended approval of the change to the RUC cost scaling parameter 20% to 100%
- Reviewed and approved changes to the Other Binding Documents List
- Approved revisions to the Major Transmission Elements (MTE) List
- Endorse the Roanoke Area Upgrades Project Option 2
- Endorsed the Bearkat – North McCamey – Sand Lake 345-kV Transmission Addition Project Stage 2 Upgrade
- Annual TAC/TAC Subcommittee Procedural and Structural Review



Subcommittee/Working Group/Task Force Assessments

Subcommittees, Working Groups and Task Forces completed self-assessments to determine necessity and efficiency using the following criteria:

- Review of Scope – Is the Scope still valid and is the subcommittee/working group/task force still performing these functions; Does the scope need to be revised?
- Review Open Action Items list – Is the subcommittee/working group/task force discussing open issues, ongoing issues, etc.
- How often does the subcommittee/working group/task force meet and how long are their meetings? Are meetings well attended?
- Does the subcommittee/working group/task force have a similar scope with another subcommittee/working group/task force – if so, can the groups be consolidated?
- If applicable, review subcommittee/working group/task force procedures. (voting, process, etc.)
- Is the subcommittee/working group/task force still necessary?



Conclusions

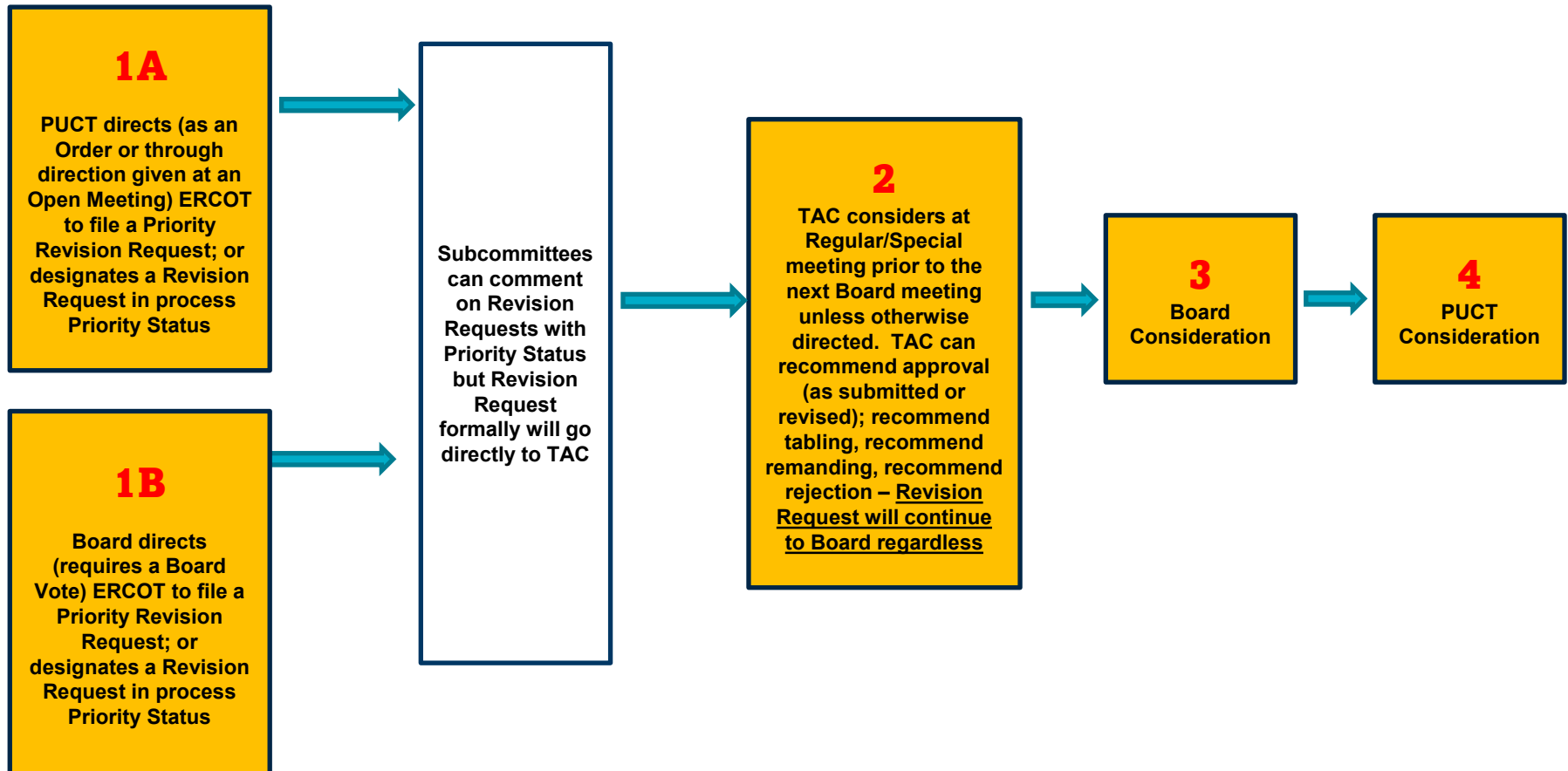
- The current structure of TAC and subcommittees was deemed necessary and effective.
- Subcommittee/Working Groups/Task Forces were encouraged to continue to review scopes, open action items.

Proposed changes to the Stakeholder Process

- TAC seeks input from the Reliability and Markets Committee on the following proposed changes to the stakeholder process:
 - Priority Revision Request Process
 - Credit Work Group Reporting/Structure
 - TAC Representative Qualifications

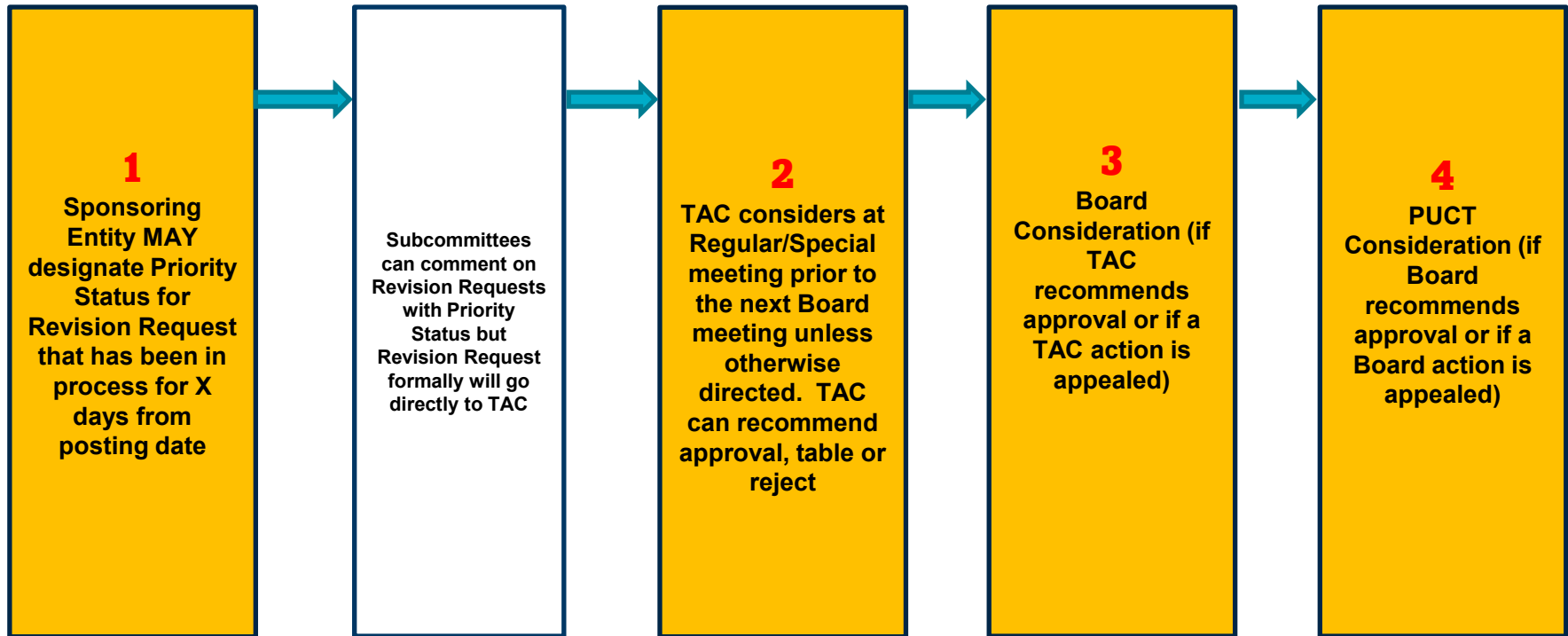
Priority Revision Request Process

PUCT and Board Directed or Designated



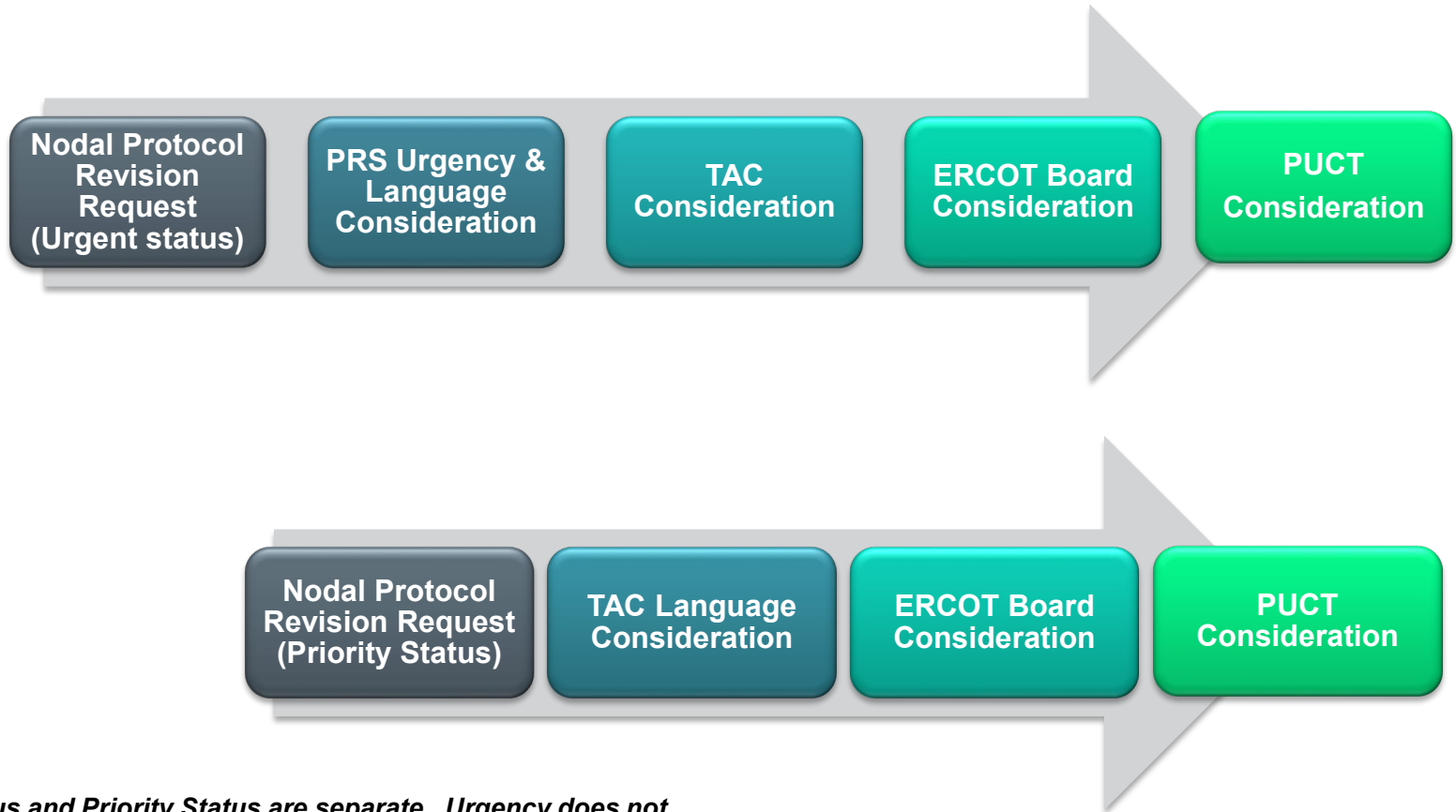
Priority Revision Request Process

Sponsor Designated



Priority Revision Request Process

Urgent Status vs. Priority Status



**Urgency Status and Priority Status are separate. Urgency does not imply Priority. Urgent status requires a vote, while Priority status has a time requirement.*

Credit Work Group Reporting and Structure

- At its 9/28/22 meeting, TAC endorsed the following changes to the Credit Work Group reporting and structure:
 - Credit Work Group will retain its current structure and report directly to TAC
 - The Market Credit Working Group (currently reporting to WMS) will be consolidated into the Credit Work Group
- The Credit WG will review their Charter to make necessary changes which shall be approved by TAC
- TAC will continue to monitor and review the Credit Work Group structure and make changes as needed

TAC Representative Qualifications

- At its 9/28/22 meeting, TAC reviewed and endorsed the following additional TAC Representative Qualifications
 - TAC Representatives shall meet the following qualifications:
 - At least five years of combined electric industry experience in one or more of the below areas:
 - Regulatory
 - Markets (e.g., Wholesale, Retail, and/or Energy management/procurement)
 - Operations (Transmission, QSE, or Generation)
 - Finance
 - Authorized by their sponsor or employer to make decisions
 - OPUC and TAC Residential Consumer Representatives are exempt from the qualifications above
- TAC will codify these requirements in the TAC Procedures

APPENDIX



2022 TAC Goals

1. Align TAC and Subcommittee Goals with the ERCOT Board of Directors' strategic vision to work with ERCOT Staff to achieve the Board's vision for ERCOT.
2. Develop and implement market design changes and other reliability enhancements that are promulgated by the PUCT in the furtherance of statutory changes originating from the 87th session of the Texas Legislature.
3. Maintain rules that support ERCOT system reliability, promote market solutions, support open access to the ERCOT markets and transmission network, and are consistent with PURA, PUCT Substantive Rules, and NERC Reliability Standards.
4. Pursue clarifications to market rules and guides, which enhance the transparency of resource registration and requirements and clarify the entry process for new resources, with the explicit understanding that no changes will be made that discriminately affects the rights and obligations of resources currently participating in the wholesale and ancillary services markets.
5. Improve the monitoring of resource adequacy by ensuring that studies and reports provide a representative view of evolving risks to resource adequacy as a fundamental element of system reliability and resiliency. Recommend market improvements to support resource adequacy, including the recognition of limitations due to GTCs and the reactive needs of the system.
6. Collaborate with ERCOT Staff on current trends in fuel prices and installed resource costs through market changes.
7. Develop and implement needed market design corrections and improvements, which are cost effective.
8. Pursue policies and market rules that encourage the appropriate implementation of load participation.
9. Pursue policies and market rules that encourage the appropriate integration of emerging technologies.
10. Implement Retail Market improvements and requirements.
11. Facilitate market improvements necessary to leverage the capabilities of Advanced Metering Systems (AMS) in the retail market and improve the integrity and availability of AMS data to Market Participants.
12. Improve settlement processes to facilitate changes in the ERCOT market design.
13. Collaborate with ERCOT Staff on the review of ancillary service needs and implement changes as necessary.
14. Work with ERCOT Staff to develop Protocols and market improvements that support increased data transparency and data availability to the market.
15. Work with ERCOT Staff to ensure appropriate credit and collateral rules exist or are created to facilitate market participation. Review available means to eliminate or substantially mitigate default uplift.
16. Develop analysis and implement reporting on the measures of the costs and benefits of changes in reliability requirements and actions, to include but not be limited to RUC impacts, changes in Ancillary Service quantities, and actions during emergency conditions.
17. Review integration and optimization of limited-duration Resources in the energy and Ancillary Service markets.



Alignment of TAC Goals and Revision Requests with ERCOT Strategic Plan Objectives

Request Type	Goal 1	Goal 2	Goal 3	Goal 4	Goal 5	Goal 6	Goal 7	Goal 8	Goal 9	Goal 10	Goal 11	Goal 12	Goal 13	Goal 14	Goal 15	Goal 16	Goal 17
NOGRR			3	1			4										
NPRR	9	10	17	1	7	3	32	1		2		10	6	4	3		
PGRR			4	1	5		4										
RMGRR							2			3							
SCR							8			2				2			
LPGRR																	
VCMRR			1			5											
RRGRR					1		1										
SMOGR							1										
OBDRR	4	2	5		1		4	1				1	2				1
Total	13	12	30	3	14	8	56	2		7		11	8	6	3		1

- Optimize use of ERCOT, Inc.'s Resources
- Advance Competitive Solutions

- Enhance Operating Capabilities
- Improve Information Exchange



Approved Revision Requests Mapped to ERCOT Strategic Plan Objectives

Revision Requests approved to date and alignment with ERCOT Strategic Plan Objectives:

- Optimize use of ERCOT, Inc.'s Resources – 15%
- Enhance Operating Capabilities - 30%
- Advance Competitive Solutions – 52%
- Improve Information Exchange – 3%

Request Type	Strategic Pillar			
	Optimize use of ERCOT's resources	Enhance Operating Capabilities	Advance Competitive Solutions	Improve Information Exchange
NOGRR	0	0	3	0
NPRR	9	14	25	2
PGRR	0	6	5	0
RMGRR	0	0	3	0
SCR	0	0	5	1
LPGRR	0	0	0	0
VCMR	0	1	1	0
COPMGRR	0	0	0	0
RRGRR	0	0	0	0
OBDRR	4	5	3	0
SMOGRR	0	0	1	0
Totals	13	26	46	3

