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| **Date:** | October 11, 2022 |
| **To:** | Board of Directors |
| **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:** October 18, 2022  **Item No.:** 3.1 |

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| **Issue:**Consideration of the following Revision Requests: Nodal Protocol Revision Requests (NPRRs), Nodal Operating Guide Revision Request (NOGRR), and System Change Request (SCRs) recommended for approval by TAC (with no opposing votes recorded):  * NPRR1058, Resource Offer Modernization; * NPRR1118, Clarifications to the OSA Process; * NPRR1127, Clarification of ERCOT Hotline Uses; * NPRR1139, Adjustments to Capacity Shortfall Ratio Share for IRRs; * NPRR1140, Recovering Fuel Costs for Generation Above LSL During RUC-Committed Hours; * NOGRR241, Related to NPRR1127, Clarification of ERCOT Hotline Uses; * SCR820, Operator Real-Time Messaging During Emergency; and * SCR823, ERCOT Mass System “County Name” File Updates for Texas SET V5.0 Implementation – URGENT. |
| **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 or change request.**   * ***NPRR1058, Resource Offer Modernization***   **Submitter:** Reliant, Luminant, STEC, LCRA, Calpine  **Proposed Effective Date:** Upon system implementation – Priority 2023; Rank 3715  **ERCOT Impact Analysis:** Between $100K and $150K; no impacts to ERCOT staffing; impacts to Market Operations Systems, Data Management & Analytic Systems, Settlements & Billing Systems, ERCOT Website and MIS Systems, and Channel Management Systems; no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices.  **Revision Description:** This NPRR allows all Resources to update their offers in Real-Time to reflect their current costs.  **TAC Decision:** On 9/28/22, TAC voted to recommend approval of NPRR1058 as recommended by PRS in the 8/11/22 PRS Report. There was one abstention from the Independent Power Marketer (IPM) (Shell) Market Segment.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1058 and believes the market impact for NPRR1058 provides an equitable expansion of the ability to update offers in Real-Time to all Resources prior to the implementation of Real-Time Co-optimization (RTC).   * ***NPRR1118, Clarifications to the OSA Process***   **Submitter:** ERCOT  **Proposed Effective Date:** December 1, 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 clarifies the Outage Schedule Adjustment (OSA) process based on lessons learned from performing this process during 2021, as well as other factors. The first set of changes improves the terminology and clarifies the process for issuing Advanced Action Notices (AANs) and OSAs. The second set of changes clarify offer submission and Reliability Unit Commitment (RUC) procedures after an OSA is issued.  **TAC Decision:** On 9/28/22, TAC voted unanimously to recommend approval of NPRR1118 as recommended by PRS in the 9/15/22 PRS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1118 and believes the market impact for NPRR1118 is positive as it clarifies and improves the AAN and OSA processes.   * ***NPRR1127, Clarification of ERCOT Hotline Uses***   **Submitter:** ERCOT  **Proposed Effective Date:** December 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 clarifies which Entities are required to have Hotline and 24-hour, seven-day-per-week communications with ERCOT and requires that those Entities answer each Hotline call in order to proactively ensure situational awareness in emergency situations.  **TAC Decision:** On 9/28/22, TAC voted unanimously to recommend approval of NPRR1127 as recommended by PRS in the 6/9/22 PRS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1127 and believes it has a positive market impact by clarifying Entities’ communication requirements in order to proactively ensure situational awareness in emergency situations.   * ***NPRR1139, Adjustments to Capacity Shortfall Ratio Share for IRRs***   **Submitter:** ERCOT  **Proposed Effective Date:** Upon system implementation – Priority 2023; Rank 3740  **ERCOT Impact Analysis:** Between $15K and $30K; no impacts to ERCOT staffing; impacts to Settlements & Billing Systems; no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices.  **Revision Description:** This NPRR replaces the usage of the Wind-powered Generation Resource Production Potential (WGRPP) and PhotoVoltaic Generation Resource Production Potential (PVGRPP) with the High Sustained Limit (HSL) of an Intermittent Renewable Resource (IRR) as reflected in the Current Operating Plan (COP), similar to treatment afforded to Resources that are not IRRs.  **TAC Decision:** On 9/28/22, TAC voted unanimously to recommend approval of NPRR1139 as recommended by PRS in the 9/15/22 PRS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1139 and believes the market impact for NPRR1139 improves the accuracy of values used in the calculation of the capacity shortfall ratio share.   * ***NPRR1140, Recovering Fuel Costs for Generation Above LSL During RUC-Committed Hours***   **Submitter:** ERCOT  **Proposed Effective Date:** November 4, 2022 (for Section 9.14.7); Upon system implementation – Priority 2023; Rank 3750 (for all remaining language)  **ERCOT Impact Analysis:** Between $20K and $30K; no impacts to ERCOT staffing; impacts to Settlements & Billing Systems; ERCOT business processes will be updated; no impacts to ERCOT grid operations and practices.  **Revision Description:** This NPRR permits Generation Resources to recover their fuel costs when instructed to start due to a RUC and operate above the Generation Resource’s Low Sustained Limit (LSL).  **TAC Decision:** On 9/28/22, TAC voted unanimously to recommend approval of NPRR1140 as recommended by PRS in the 9/15/22 PRS Report and the 9/27/22 Revised Impact Analysis; with a proposed effective date of 11/4/22 for Section 9.14.7 and upon system implementation for all remaining language.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1140 and believes the market impact for NPRR1140 ensures Resources can, via a dispute driven process, recover their fuel costs above LSL by adjusting the equation whereby Generation Resources that receive a RUC can keep revenues or recover their fuel costs when these costs exceed what is calculated via the current Real-Time Energy Offer Curve Cost Cap (RTEOCOST).   * ***SCR820, Operator Real-Time Messaging During Emergency***   **Submitter:** AEP, CenterPoint  **Proposed Effective Date:** Upon system implementation – Priority 2023; Rank 3730  **ERCOT Impact Analysis:** Between $750K and $1.25M; no impacts to ERCOT staffing; impacts to Grid Operations Support Systems, ERCOT Website and MIS Systems, and Channel Management Systems; ERCOT business processes will be updated; ERCOT grid operations and practices will be updated.  **System Change Description:** This SCR builds on the ERCOT Hotline communication process by developing a web-based (e.g., Google Chrome; Microsoft Edge) platform supporting Real-Time, bi-directional, “Send-Review” messaging between ERCOT Operators and Transmission Operators (TOs) during emergency event coordination. The tool will support one-to-one or one-to-many communications. The Messaging System will log and store communications so that parties can stay current during the emergency event and for review subsequent to the emergency.  **TAC Decision:** On 9/28/22, TAC voted unanimously to recommend approval of SCR820 as recommended by PRS in the 9/15/22 PRS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed SCR820 and believes the market impact for SCR820 improves emergency event coordination with web-based bi-directional, logged and stored, one-to-one or one-to-many communications between ERCOT Operators and TOs, and reduces the compliance risk associated with verbal instructions and three-part communications.   * ***SCR823, ERCOT Mass System “County Name” File Updates for Texas SET V5.0 Implementation – URGENT***   **Submitter:** Texas SET Working Group  **Proposed Effective Date:** Upon system implementation – Priority 2023; Rank 3700; and upon implementation of PR409-01, TX SET 5\_0 and SCR817, Related to NPRR1095, MarkeTrak Validation Revisions Aligning with Texas SET V5.0.  **ERCOT Impact Analysis:** Between $30k and $40k; no impacts to ERCOT staffing; no impacts to ERCOT computer systems; no impact to ERCOT business functions; no impacts to ERCOT grid operations and practices. (ERCOT plans to process the flat files as part of PR409-01.)  **System Change Description:** This SCR requests that ERCOT process (upload) a flat file received by ERCOT from each affected Transmission and/or Distribution Service Provider (TDSP) that contains all the TDSPs’ Electric Service Identifiers (ESI IDs) with one exception being retired ESI IDs. This flat file would allow all REPs to have County Names associated to all ESI IDs on the very first day following Texas Standard Electronic Transaction (Texas SET) V5.0 production go-live through the TDSPs’ ESI ID extract that is produced daily by ERCOT.  **TAC Decision:** On 9/28/22, TAC voted unanimously to recommend approval of SCR823 as recommended by PRS in the 9/15/22 PRS Report; and the 9/27/22 Impact Analysis with a recommended priority of 2023 and rank of 3700  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed SCR823 and believes the market impact for SCR823 allows for the synchronization of Retail Electric Providers’ (REPs’) databases with TDSPs’ databases whenever heat advisories are activated by adding ‘County Name” attribute to the Texas SET transactions via a flat file received by ERCOT from each affected TDSP.   * ***NOGRR241, Related to NPRR1127, Clarification of ERCOT Hotline Uses* Submitter:** ERCOT   **Proposed Effective Date:** Upon implementation of NPRR1127  **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 NOGRR clarifies that an Entity that is required to have Hotline and 24-hour, seven-day-per-week communications with ERCOT is expected to answer the call and has a duty to proactively ensure situational awareness in emergency situations.  **TAC Decision:** On 9/28/22, TAC voted unanimously to recommend approval of NOGRR241 as recommended by ROS in the 8/10/22 ROS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NOGRR241 and believes it, along with NPRR1127, has a positive market impact by clarifying Entities’ communication requirements in order to proactively ensure situational awareness in emergency situations.  The TAC Reports and Impact Analyses for these Revision Requests are included in the [Board meeting materials](https://www.ercot.com/calendar/event?id=1646780500663).  In addition, these Revision Requests ([NPRRs](https://www.ercot.com/mktrules/issues/nprr), [SCR](https://www.ercot.com/mktrules/issues/scr)s, and [NOGRR](https://www.ercot.com/mktrules/issues/nogrr)) 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 1058, 1118, 1127, 1139, and 1140; and SCRs 820 and 823.  The ROS met, discussed the issues, and submitted a report to TAC regarding NOGRR241. |
| **Conclusion/Recommendation:** As more specifically described above, TAC recommends that the Board recommend approval of NPRRs 1058, 1118, 1127, 1139, and 1140; NOGRR241; and SCRs 820 and 823. |

**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), Nodal Operating Guide Revision Request (NOGRR), and System Change Request (SCRs) recommended for approval by the Technical Advisory Committee (TAC):

* NPRR1058, Resource Offer Modernization;
* NPRR1118, Clarifications to the OSA Process;
* NPRR1127, Clarification of ERCOT Hotline Uses;
* NPRR1139, Adjustments to Capacity Shortfall Ratio Share for IRRs;
* NPRR1140, Recovering Fuel Costs for Generation Above LSL During RUC-Committed Hours;
* NOGRR241, Related to NPRR1127, Clarification of ERCOT Hotline Uses;
* SCR820, Operator Real-Time Messaging During Emergency; and
* SCR823, ERCOT Mass System “County Name” File Updates for Texas SET V5.0 Implementation – URGENT.

THEREFORE, BE IT RESOLVED, that the Board hereby recommends approval of NPRRs 1058, 1118, 1127, 1139, and 1140; NOGRR241; and SCRs 820 and 823.

**CORPORATE SECRETARY’S CERTIFICATE**

I, Jonathan M. Levine, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its October 18, 2022 meeting, the Board passed a motion approving the above Resolution by \_\_\_\_\_\_.

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

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Jonathan M. Levine

Assistant Corporate Secretary