

December 9, 2022

Sent via email: revisionrequest@ercot.com

RE: ERCOT's Proposed Framework for Firm Gas Firm Fuel Supply Service Phase 2

Potomac Economics, the Independent Market Monitor (IMM) for the wholesale market in the ERCOT region, appreciates the opportunity to submit these comments regarding Phase 2 of the implementation of the Firm Fuel Supply Service (FFSS).

The IMM continues to believe that ERCOT can and should simplify the qualification requirements and ongoing obligations of Firm Gas FFSS Resources by creating a streamlined eligibility criteria without the excess administrative tasks outlined in the proposal. Even an optional review of specific gas contracts for instance, as contemplated in Section II of ERCOT's proposed Framework, is unnecessary and would not be an effective use of resources. The current market incentives and penalties are sufficient to ensure that only suppliers that have made reasonable arrangements and are confident in their ability to satisfy the FFSS performance obligations will offer to sell the service. Suggesting or requiring additional assurances creates an unnecessary regulatory and administrative burden.

Beyond these general recommendations for less complexity, the framework that ERCOT has created appears to meet the objectives of the service and the IMM does not have any additional specific edits to offer at this time.

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