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| **Date:** | April 11, 2023 |
| **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:** April 18, 2023  **Item No.:** 3.1 |

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| **Issue:**Consideration of the following Revision Requests: Nodal Protocol Revision Requests (NPRRs), Commercial Operations Market Guide Revision Request (COPMGRR), Load Profiling Guide Revision Request (LPGRR), Nodal Operating Guide Revision Request (NOGRR), Other Binding Document Revision Request (OBDRR), Planning Guide Revision Request (PGRR), Retail Market Guide Revision Request (RMGRR), Resource Registration Glossary Revision Request (RRGRR), Settlement Metering Operating Guide Revision Request (SMOGRR), and Verifiable Cost Manual Revision Request (VCMRR), recommended for approval by TAC (with no opposing votes recorded):  * NPRR1145, Use of State Estimator-Calculated ERCOT-Wide TLFs in Lieu of Seasonal Base Case ERCOT-Wide TLFs for Settlement; * NPRR1155, Attestation Regarding Market Participant Citizenship, Ownership, or Headquarters; * NPRR1157, Incorporation of PUCT Approval into Revision Request Process; * COPMGRR049, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT; * LPGRR072, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT; * NOGRR248, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT; * OBDRR044, Related to NPRR1085, Ensuring Continuous Validity of Physical Responsive Capability (PRC) and Dispatch through Timely Changes to Resource Telemetry and Current Operating Plans (COPs); * PGRR104, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT; * RMGRR173, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT; * RRGRR034, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT; * SMOGRR026, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT; and * VCMRR036, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT. |
| **Background/History:** **Unless otherwise noted: (i) all Market Segments participated in each vote; (ii) For NPRRs, ERCOT Credit Staff and the Market Credit Working Group (MCWG) have reviewed the NPRR and do not believe it requires changes to credit monitoring activity or the calculation of liability; (iii) ERCOT supports the revision request; and (iv) the Independent Market Monitor (IMM) has no opinion on the revision request.**   * ***NPRR1145, Use of State Estimator-Calculated ERCOT-Wide TLFs in Lieu of Seasonal Base Case ERCOT-Wide TLFs for Settlement***   **Submitter:** ERCOT  **Proposed Effective Date:** Upon system implementation – Priority 2024; Rank 4010  **ERCOT Impact Analysis:** Between $50K and $80K; no impacts to ERCOT staffing; impacts to Settlements & Billing Systems, Energy Management Systems, Data Management & Analytic Systems, and Channel Management Systems; ERCOT business processes will be updated; no impacts to ERCOT grid operations and practices.  **Revision Description:** This NPRR changes the 15-minute level ERCOT-wide Transmission Loss Factors (TLFs) that are used in the Settlement process from seasonal base case TLFs to State Estimator-calculated TLFs in the Energy Management System (EMS). It also clarifies the use of Non-Opt-In Entity (NOIE) deemed actual TLFs to remove behind-the-meter Transmission Losses.  **TAC Decision:** On 3/21/23, TAC voted unanimously to recommend approval of NPRR1145 as recommended by PRS in the 3/8/23 PRS Report as revised by TAC.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1145 and believes it has a positive market impact by addressing market efficiency through the changing of the 15-minute level ERCOT-wide TLFs that are used in the Settlement process from seasonal base case TLFs to State Estimator-calculated TLFs in the EMS, and clarifying the use of NOIE deemed actual TLFs to remove behind-the-meter Transmission Losses.   * ***NPRR1155, Attestation Regarding Market Participant Citizenship, Ownership, or Headquarters***   **Submitter:**  ERCOT  **Proposed Effective Date:** June 1, 2023  **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 amends the Market Participant eligibility criteria in Section 16, Registration and Qualification of Market Participants, by providing that an Entity is not eligible to register or maintain its registration with ERCOT as a Market Participant if the Entity meets any of the prohibited citizenship, ownership or headquarters criteria established in the Lone Star Infrastructure Protection Act (LSIPA), Texas Business and Commerce Code, Sections 113.002(a)(2)(A)-(b)(2)(B) or 2274.0102(a)(2)(A)-(b)(2)(B), added by Act of June 18, 2021, 87th Leg., R.S., Ch. 975 (S.B. 2116).  **TAC Decision:** On 3/21/23, TAC voted unanimously to recommend approval of NPRR1155 as recommended by PRS in the 3/8/23 PRS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1155 and believes the market impact for NPRR1155 properly aligns the Protocols with applicable law regarding registered Entities within the ERCOT market.   * ***NPRR1157, Incorporation of PUCT Approval into Revision Request Process***   **Submitter:** ERCOT  **Proposed Effective Date:** June 1, 2023  **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 requires all Revision Requests to be approved by the Public Utility Commission of Texas (PUCT) prior to implementation; adds a Credit review, IMM opinion, ERCOT opinion, and the ERCOT Market Impact Statement to the TAC Report; and revises possible actions on a Revision Request from “defer” to “table” as currently captured in motions.  **TAC Decision:** On 3/21/23, TAC voted unanimously to recommend approval of NPRR1157 as recommended by PRS in the 2/9/23 PRS Report as amended by the 2/24/23 ERCOT comments.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1157 and believes the market impact for NPRR1157 aligns the Protocols with current practice.   * ***COPMGRR049, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT***   **Submitter:** ERCOT  **Proposed Effective Date:**  Upon implementation of NPRR1157  **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 COPMGRR requires all COPMGRRs to be approved by the PUCT prior to implementation; requires all COPMGRRs to be considered by the ERCOT Board; adds an IMM opinion, ERCOT opinion, and the ERCOT Market Impact Statement to the TAC Report; and revises possible actions on a COPMGRR from “defer” to “table” as currently captured in motions.  **TAC Decision:** On 3/21/23, TAC voted unanimously to recommend approval of COPMGRR049 as recommended by WMS in the 3/1/23 WMS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed COPMGRR049 and believes the market impact for COPMGRR049 aligns the Commercial Operations Market Guide with current practice.   * ***LPGRR072, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT***   **Submitter:** ERCOT  **Proposed Effective Date:** Upon implementation of NPRR1157  **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 LPGRR requires all LPGRRs to be approved by the PUCT prior to implementation; standardizes all LPGRRs be considered by the ERCOT Board; adds an IMM opinion, ERCOT opinion, and the ERCOT Market Impact Statement to the TAC Report; and revises possible actions on an LPGRR from “defer” to “table” as currently captured in motions.  **TAC Decision:** On 3/21/23, TAC voted unanimously to recommend approval of LPGRR072 as recommended by RMS in the 3/7/23 RMS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed LPGRR072 and believes the market impact for LPGRR072 aligns the Load Profiling Guide with current practice.   * ***NOGRR248, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT***   **Submitter:** ERCOT  **Proposed Effective Date:** Upon implementation of NPRR1157  **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 NOGRR requires all NOGRRs to be approved by the PUCT prior to implementation; requires all NOGRRs be considered by the ERCOT Board; adds an IMM opinion, ERCOT opinion, and the ERCOT Market Impact Statement to the TAC Report; and revises possible actions on a NOGRR from “defer” to “table” as currently captured in motions.  **TAC Decision:** On 3/21/23, TAC voted unanimously to recommend approval of NOGRR248 as recommended by ROS in the 3/2/23 ROS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NOGRR248 and believes the market impact for NOGRR248 aligns the Nodal Operating Guide with current practice.   * ***OBDRR044, Related to NPRR1085, Ensuring Continuous Validity of Physical Responsive Capability (PRC) and Dispatch through Timely Changes to Resource Telemetry and Current Operating Plans (COPs)***   **Submitter:** ERCOT  **Proposed Effective Date:** Upon implementation of NPRR1085  **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. (There are no additional impacts to this OBDRR beyond what was captured in the Impact Analysis for NPRR1085.)  **Revision Description:** This OBDRR aligns the Operating Reserve Demand Curve (ORDC) pricing with the Protocol revisions of NPRR1085 related to the ONHOLD status treatment of Resources.  **TAC Decision:** On 3/21/23, TAC voted unanimously to recommend approval of OBDRR044 as submitted and the 2/14/23 Impact Analysis.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed OBDRR044 and believes the market impact for OBDRR044 is that it appropriately aligns the ERCOT systems to include the ONHOLD status consistent with the revisions in NPRR1085.  **IMM Opinion:** The IMM supports approval of OBDRR044.   * ***PGRR104, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT***   **Submitter:** ERCOT  **Proposed Effective Date:** Upon implementation of NPRR1157  **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 PGRR requires all PGRRs to be approved by the PUCT prior to implementation; requires all PGRRs be considered by the ERCOT Board; adds an IMM opinion, ERCOT opinion, and the ERCOT Market Impact Statement to the TAC Report; and revises possible actions on a PGRR from “defer” to “table” as currently captured in motions.  **TAC Decision:** On 3/21/23, TAC voted unanimously to recommend approval of PGRR104 as recommended by ROS in the 3/2/23 ROS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed PGRR104 and believes the market impact for PGRR104 aligns the Planning Guide with current practice.   * ***RMGRR173, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT***   **Submitter:** ERCOT  **Proposed Effective Date:** Upon implementation of NPRR1157  **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 RMGRR requires all RMGRRs to be approved by the PUCT prior to implementation; standardizes all RMGRRs be considered by the ERCOT Board; adds a Credit review, IMM opinion, ERCOT opinion, and the ERCOT Market Impact Statement to the TAC Report; and revises possible actions on an RMGRR from “defer” to “table” as currently captured in motions.  **TAC Decision:** On 3/21/23, TAC voted unanimously to recommend approval of RMGRR173 as recommended by RMS in the 3/7/23 RMS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed RMGRR173 and believes the market impact for RMGRR173 aligns the Retail Market Guide with current practice.   * ***RRGRR034, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT***   **Submitter:** ERCOT  **Proposed Effective Date:** Upon implementation of NPRR1157  **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 RRGRR requires all RRGRRs to be approved by the PUCT prior to implementation; requires all RRGRRs be considered by the ERCOT Board; adds an IMM opinion, ERCOT opinion, and the ERCOT Market Impact Statement to the TAC Report; and revises possible actions on a RRGRR from “defer” to “table” as currently captured in motions.  **TAC Decision:** On 3/21/23, TAC voted unanimously to recommend approval of RRGRR034 as recommended by ROS in the 3/2/23 ROS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed RRGRR034 and believes the market impact for RRGRR034 aligns the Resource Registration Glossary with current practice.   * ***SMOGRR026, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT***   **Submitter:** ERCOT  **Proposed Effective Date:** Upon implementation of NPRR1157  **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 SMOGRR requires all SMOGRRs to be approved by the PUCT prior to implementation; requires all SMOGRRs to be considered by the ERCOT Board; adds an IMM opinion, ERCOT opinion, and the ERCOT Market Impact Statement to the TAC Report; and revises possible actions on a SMOGRR from “defer” to “table” as currently captured in motions.  **TAC Decision:** On 3/21/23, TAC voted unanimously to recommend approval of SMOGRR026 as recommended by WMS in the 3/1/23 WMS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed SMOGRR026 and believes the market impact for SMOGRR026 aligns the Settlement Metering Operating Guide with current practice.   * ***VCMRR036, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT***   **Submitter:** ERCOT  **Proposed Effective Date:** Upon implementation of NPRR1157  **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 VCMRR requires all VCMRRs to be approved by the PUCT prior to implementation; requires all VCMRRs to be considered by the ERCOT Board; adds an IMM opinion, ERCOT opinion, and the ERCOT Market Impact Statement to the TAC Report; and revises possible actions on a VCMRR from “defer” to “table” as currently captured in motions.  **TAC Decision:** On 3/21/23, TAC voted unanimously to recommend approval of VCMRR036 as recommended by WMS in the 3/1/23 WMS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed VCMRR036 and believes the market impact for VCMRR036 aligns the Verifiable Cost Manual with current practice.  The TAC Reports and Impact Analyses for these Revision Requests are included in the [ERCOT Board meeting materials](https://www.ercot.com/calendar/04182023-Board-of-Directors-Meeting).  In addition, these Revision Requests ([NPRRs](https://www.ercot.com/mktrules/issues/nprr), [COPMGRR](https://www.ercot.com/mktrules/issues/copmgrr), [LPGRR](https://www.ercot.com/mktrules/issues/lpgrr), [NOGRR](https://www.ercot.com/mktrules/issues/nogrr), [OBDRR](https://www.ercot.com/mktrules/issues/obdrr), [PGRR](https://www.ercot.com/mktrules/issues/pgrr), [RMGRR](https://www.ercot.com/mktrules/issues/rmgrr), [RRGRR](https://www.ercot.com/mktrules/issues/rrgrr), [SMOGRR](https://www.ercot.com/mktrules/issues/smogrr), and [VCMRR](https://www.ercot.com/mktrules/issues/vcmrr)) 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 1145, 1155, and 1157.  The RMS met, discussed the issues, and submitted reports to TAC regarding LPGRR072 and RMGRR173.  The ROS met, discussed the issues, and submitted reports to TAC regarding NOGRR248, PGRR104, and RRGRR034.  The WMS met, discussed the issues, and submitted reports to TAC regarding COPMGRR049, SMOGRR026, and VCMRR036.  The TAC met, discussed the issues, and took action on OBDRR044. |
| **Conclusion/Recommendation:** As more specifically described above, TAC recommends that the Board recommend approval of NPRRs 1145, 1155, and 1157; COPMGRR049; LPGRR072; NOGRR248; OBDRR044; PGRR104; RMGRR173; RRGRR034; SMOGRR026; and VCMRR036. |

**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), Commercial Operations Market Guide Revision Request (COPMGRR), Load Profiling Guide Revision Request (LPGRR), Nodal Operating Guide Revision Request (NOGRR), Other Binding Document Revision Request (OBDRR), Planning Guide Revision Request (PGRR), Retail Market Guide Revision Request (RMGRR), Resource Registration Glossary Revision Request (RRGRR), Settlement Metering Operating Guide Revision Request (SMOGRR), and Verifiable Cost Manual Revision Request (VCMRR), recommended for approval by TAC:

* NPRR1145, Use of State Estimator-Calculated ERCOT-Wide TLFs in Lieu of Seasonal Base Case ERCOT-Wide TLFs for Settlement;
* NPRR1155, Attestation Regarding Market Participant Citizenship, Ownership, or Headquarters;
* NPRR1157, Incorporation of PUCT Approval into Revision Request Process;
* COPMGRR049, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT;
* LPGRR072, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT;
* NOGRR248, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT;
* OBDRR044, Related to NPRR1085, Ensuring Continuous Validity of Physical Responsive Capability (PRC) and Dispatch through Timely Changes to Resource Telemetry and Current Operating Plans (COPs);
* PGRR104, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT;
* RMGRR173, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT;
* RRGRR034, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT;
* SMOGRR026, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT; and
* VCMRR036, Related to NPRR1157, Incorporation of PUCT Approval into Revision Request Process – URGENT.

THEREFORE, BE IT RESOLVED, that the Board hereby recommends approval of NPRRs 1145, 1155, and 1157; COPMGRR049; LPGRR072; NOGRR248; OBDRR044; PGRR104; RMGRR173; RRGRR034; SMOGRR026; and VCMRR036.

**CORPORATE SECRETARY’S CERTIFICATE**

I, Jonathan M. Levine, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its April 18, 2023 meeting, the Board passed a motion approving the above Resolution by \_\_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_ day of April 2023.

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Jonathan M. Levine

Assistant Corporate Secretary