**DRAFT**

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

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

**Wednesday,** **April 5, 2023 – 9:30 a.m.**

Attendance

*Members:*

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Allen, Thresa | Avangrid Renewables (Avangrid) | Via Teleconference |
| Barnes, Bill  | Reliant Energy Retail Services (Reliant) |  |
| Blakey, Eric | Pedernales Electric Cooperative  |  |
| Burke, Tom | RWE Renewables (RWE) |  |
| Campo, Curtis | Garland Power and Light (GP&L) | Via Teleconference |
| Cochran, Seth | DC Energy |  |
| DeLeon, Amanda | Tenaska Power Services (Tenaska) | Via Teleconference |
| Detelich, David | CPS Energy | Via Teleconference |
| Dreyfus, Mark | City of Eastland |  |
| Foster, Ashley | The Dow Chemical Company (Dow) | Via Teleconference |
| Goff, Eric | Consumer – Residential |  |
| Gross, Blake | AEP Service Corporation (AEPSC) |  |
| Haley, Ian | Luminant Corporation |  |
| Hanson, Kevin | National Grid Renewables (NG Renewables) | Via Teleconference |
| Jolly, Emily | Lower Colorado River Authority (LCRA) |  |
| Lee, Jim | CenterPoint Energy (CNP) |  |
| Lindberg, Ken | Bryan Texas Utilities (BTU)  | Via Teleconference |
| Nguyen, Andy | Constellation Energy Generation |  |
| Rich, Katie | Golden Spread Electric Cooperative (GSEC)  |  |
| Roberts, Vincent | Texas-New Mexico Power (TNMP) | Via Teleconference |
| Smith, Mark | Nucor | Via Teleconference |
| Surendran, Resmi | Shell Energy North America (SENA) | Via Teleconference |
| Turner, Lucas | South Texas Electric Cooperative (STEC) | Via Teleconference |
| Velasquez, Ivan | Oncor Electric Delivery (Oncor) |  |
| Xie, Fei | Austin Energy | Alt Rep. for Erika Bierschbach |

The following proxy was assigned:

* Anoush Farhangi to Bill Barnes

*Guests:*

|  |  |  |
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|  |  |  |
| Anderson, Connor | AB Power Advisors | Via Teleconference |
| Ashley, Kristy | CES | Via Teleconference |
| Bailey, Robert | NRG Energy |  |
| Basaran, Harika | PUCT | Via Teleconference |
| Benson, Mariah | PUCT | Via Teleconference |
| Berry, Danny | LCRA | Via Teleconference |
| Bertin, Suzanne |  | Via Teleconference |
| Bezwada, Neelima | Potomac Economics | Via Teleconference |
| Bivens, Carrie  | Potomac Economics | Via Teleconference |
| Blackburn, Don | Hunt Energy Network Power Marketing | Via Teleconference |
| Block, Laurie | L Block Consulting, LLC | Via Teleconference |
| Blum, Michael | CNP | Via Teleconference |
| Boggs, Callie | Eric Winters Goff, LLC | Via Teleconference |
| Breshears, Doug | Brazos Electric Cooperative | Via Teleconference |
| Callender, Hudson | CPS Energy | Via Teleconference |
| Cheng, Yong | LCRA | Via Teleconference |
| Conant, Portia | Yes Energy | Via Teleconference |
| Cortez, Sarai | Trailstone | Via Teleconference |
| Cox, Jason | EQ Energy Advisors | Via Teleconference |
| Daigneault, Ralph | Potomac Economics | Via Teleconference |
| DeLeon, Seth | DME  | Via Teleconference |
| Foos, Richard | Citadel | Via Teleconference |
| Ganjoo, Shalesh | LCRA | Via Teleconference |
| Hall, Matthew | Invenergy | Via Teleconference |
| Hartman, Carla | Adapt 2  |  |
| Headrick, Bridget | CES | Via Teleconference |
| Henson, Martha | Oncor | Via Teleconference |
| Hubbard, John  | TIEC | Via Teleconference |
| Inman, Grant | BP | Via Teleconference |
| Jones, Dan |  | Via Teleconference |
| Kirby, Brandon | GEUS | Via Teleconference |
| Koz, Brian |  | Via Teleconference |
| Kroskey, Tony | Brazos Electric Cooperative | Via Teleconference |
| Lacek, Mollie | Talen Energy | Via Teleconference |
| Lotter, Eric | GridMonitor | Via Teleconference |
| Lu, Bo | Broad Reach Power | Via Teleconference |
| Macaraeg, Tad | Stem | Via Teleconference |
| Mack, Natalia |  | Via Teleconference |
| Majidi, Mohammad | Pattern Energy | Via Teleconference |
| Matt, Kevin | NRG | Via Teleconference |
| McClellan, Suzi | Good Company Associates | Via Teleconference |
| Mock, Christopher | Yes Energy | Via Teleconference |
| Noyes, Theresa | LCRA |  |
| Ok, Brendan | PUCT | Via Teleconference |
| Okenfuss, James | Savion | Via Teleconference |
| Pfefferle, Ryan | Oxy | Via Teleconference |
| Pokharel, Nabaraj | OPUC | Via Teleconference |
| Ramaswamy, Ramya | PUCT | Via Teleconference |
| Reedy, Steve | CIM View Consulting | Via Teleconference |
| Reid, Mike | Air Liquide | Via Teleconference |
| Ritch, John | NextEra Energy |  |
| Sager, Brenden | Austin Energy | Via Teleconference |
| Sersen, Juliana | Baker Botts | Via Teleconference |
| Showalter, Dana | Plus Power | Via Teleconference |
| Sickafoose, Lauren | EDF Energy | Via Teleconference |
| Siddiqi, Shams | Crescent Power | Via Teleconference |
| Sims, Chris | LP&L | Via Teleconference |
| Smith, Caitlin | Jupiter Power | Via Teleconference |
| Smith, Mark | CMC Steele | Via Teleconference |
| Stafford, Will | GSEC | Via Teleconference |
| Stanton, Spencer | Orsted | Via Teleconference |
| Stephenson, Zach | TEC | Via Teleconference |
| Teng, Shuye | LCRA | Via Teleconference |
| True, Roy | ACES Power | Via Teleconference |
| Varnell, John | Tenaska | Via Teleconference |
| Villasana, Kristi | NBU | Via Teleconference |
| Varnell, John | Tenaska | Via Teleconference |
| Walcavich, Colin | NG Renewables | Via Teleconference |
| Williams, Wes | BTU | Via Teleconference |
| Wilson, Joe Dan | GSEC | Via Teleconference |
| Wittmeyer, Bob | Longhorn Power |  |
| Zang, Hailing | TC Energy | Via Teleconference |
| Zang, Lu | Austin Energy | Via Teleconference |

*ERCOT Staff:*

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| --- | --- | --- |
|  |  |  |
| Albracht, Brittney |  |  |
| Boren, Ann |  | Via Teleconference |
| Chambers, Jason |  | Via Teleconference |
| Clifton, Suzy |  |  |
| Du, Pengwei |  | Via Teleconference |
| Duus, Tim |  | Via Teleconference |
| Dwyer, Davida |  | Via Teleconference |
| Gaddy, Jerry |  | Via Teleconference |
| Garcia, Freddy |  | Via Teleconference |
| Gonzalez, Ino |  |  |
| Gross, Katherine |  | Via Teleconference |
| Hailu, Ted |  | Via Teleconference |
| Hanley, Bryan |  | Via Teleconference |
| Hartmann, Jimmy |  | Via Teleconference |
| Heinrich, Holly |  | Via Teleconference |
| Jaksch, Todd |  | Via Teleconference |
| Khodabakhsh, Fred |  | Via Teleconference |
| King, Robert |  |  |
| Lightner, Debbie |  | Via Teleconference |
| Magarinos, Marcelo |  | Via Teleconference |
| Maggio, Dave |  | Via Teleconference |
| Mago, Nitika |  | Via Teleconference |
| Mantena, Dan |  | Via Teleconference |
| Mereness, Matt |  | Via Teleconference |
| McGuire, Joshua |  | Via Teleconference |
| Modarresi, Sadegh |  | Via Teleconference |
| Phillips, Cory |  | Via Teleconference |
| Ramasubbu, Priya |  | Via Teleconference |
| Roberts, Randy |  | Via Teleconference |
| Rosel, Austin |  | Via Teleconference |
| Shaw, Pamela |  | Via Teleconference |
| Troublefield, Jordan |  | Via Teleconference |
| Urquhart, Thomas |  | Via Teleconference |
| Vickery, Tyler |  | Via Teleconference |
| Warnken, Pete |  | Via Teleconference |

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

Eric Blakey called the April 5, 2023 WMS meeting to order at 9:30 a.m.

Antitrust Admonition

Mr. Blakey directed attention to the Antitrust Admonition, which was displayed.

Agenda Review

Mr. Blakey reviewed the agenda.

Approval of WMS Meeting Minutes (see Key Documents)[[1]](#footnote-1)

*February 6, 2023*

*March 1, 2023*

Mr. Blakey noted that the February 6, 2023 and March 1, 2023 WMS Meeting Minutes could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

Technical Advisory Committee (TAC) Update (see (Key Documents)

Mr. Blakey reviewed the disposition of items considered at the March 21, 2023 TAC meeting and summarized highlights of the March 31, 2023 Special TAC meeting.

Market Credit Working Group (MCWG)

*Disband MCWG*

Brenden Sager noted that the Credit and Finance Sub Group (CFSG) charter was approved at the March 21, 2023 TAC meeting and requested WMS consideration on disbanding MCWG. Mr. Blakey noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

Resource Cost Working Group (RCWG)

Mr. Blakey summarized the RCWG leadership discussion at the March 21, 2023 TAC meeting. Market Participants expressed support for maintaining RCWG and discussed the leadership challenges. Mr. Blakey encouraged Market Participants to seek out individuals for RCWG leadership opportunities for consideration at the May 3, 2023 WMS meeting.

2023 WMS Goals (see Key Documents)

Market Participants offered clarifications to the 2023 WMS Goals. Mr. Blakey noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

Review Open Action Items (see Key Documents)

Jim Lee presented the Open Actions Item List. Market Participants removed the completed action items:

* Load Resource Reliability Deployment Price Adder Offer Curve (WMWG)
* Review June 2020 CRR Balancing Account Resettlement Issue (CMWG)

ERCOT Operations and Market Items

There were no ERCOT Operations or Market items.

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

*Nodal Protocol Revision Request (NPRR) 1162, Single Agent Designation for a QSE and its Sub-QSEs for Voice Communications over the ERCOT WAN*

Jason Chambers summarized NPRR1162, presented a base case scenario, and reviewed current control room technology and technical limitations. John Varnell reviewed the 3/30/23 Tenaska comments to NPRR1162. Some Market Participants expressed concern for the impacts to Qualified Scheduling Entity (QSE) contractual relationships and requested further review of the issues by the Wholesale Market Working Group (WMWG). Mr. Blakey noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

Cross-State Air Pollution Rule (CSAPR) Oxides of Nitrogen (NOx) Season Allowance Workshop Update and Next Steps

Ian Haley presented the CSAPR NOx season allowance update and next steps in consideration of the potential implementation timeline. Dave Maggio stated that ERCOT is reviewing potential impacts and developing comments. Market Participants requested review of the issues by WMWG. Jim Lee noted that on the Open Action Items List this issue will be combined with the TAC Assignment to review the Department of Energy (DOE) order regarding emissions limitations, fuel limitations, and increased Reliability Unit Commitment (RUC) activity and potential mechanisms to address the issues.

Wholesale Market Working Group (WMWG) (see Key Documents)

John Ritch reviewed WMWG activities.

NPRR1167, Improvements to Firm Fuel Supply Service Based on Lessons Learned (see Key Documents)

Mr. Maggio summarized NPRR1167. Emily Jolly reviewed the 3/15/23 LCRA comments to NPRR1167. Mr. Blakey noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

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

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

*NPRR1070, Planning Criteria for GTC Exit Solutions*

WMS took no action on these items.

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

*NPRR1146, Credit Changes to Appropriately Reflect TAO Exposure*

Mr. Blakey noted that with the disbanding of MCWG, review of NPRR1067 and NPRR1146 credit issues would be appropriate at CFSG, and offered to request CFSG leadership consideration of the issues. Market Participants expressed support for this approach. In response to Market Participants concerns on timely consideration of NPRR1146, Shams Siddiqui stated that ERCOT was providing additional analysis that was necessary to develop the appropriate solution. Mr. Blakey stated that NPRR1146 would be considered at the May 3, 2023 WMS meeting.

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

Nitika Mago summarized NPRR1143, noted the 2/10/23 ERCOT Steel Mills comments, and stated that ERCOT would like to advance NPRR1143. Some Market Participants reiterated their concern for the potential for stakeholders to misunderstand the application of NPRR1143 and requested ERCOT Communication Staff provide clarification of the issues. Ms. Mago offered to have ERCOT Communication Staff at the April 13, 2023 Protocol Revision Subcommittee (PRS) meeting. WMS took no action on this item.

WMS Revision Requests Tabled at WMS (see Key Documents)

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

Market Participants reviewed VCMRR031 and noted that the Public Utility Commission of Texas (PUCT) had recently ruled on Filing 51883, Complaint and Request for Emergency Relief by Luminant Energy Company LLC Against The Electric Reliability Council of Texas, Inc.

**Eric Goff moved to recommend approval of VCMRR031 as submitted. Mark Dreyfus seconded the motion. The motion carried with 14 abstentions from the Cooperative (4) (LCRA, STEC, PEC, GSEC), Independent Generator (4) (Luminant, Avangrid, RWE, Constellation), Independent Power Marketer (IPM) (NG Renewables), Investor Owned Utility (IOU) (3) (AEPSC, CNP, TNMP) and Municipal (2) (Austin Energy, BTU) Market Segments.** *(Please see ballot posted with Key Documents.)*

*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.

Combined Ballot

**Tom Burke moved to approve the Combined Ballot as follows:**

* **To approve the February 6, 2023 WMS Meeting Minutes as submitted**
* **To approve the March 1, 2023 WMS Meeting Minutes as submitted**
* **To disband MCWG**
* **To approve 2023 WMS Goals as revised by WMS**
* **To request PRS continue to table NPRR1162 for further review by WMWG**
* **To endorse NPRR1167 as amended by the 3/15/23 LCRA comments**

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

Meter Working Group (MWG) (see Key Documents)

Doug Breshears reviewed MWG activities.

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

Kevin Hanson reviewed SAWG activities.

Other Business

*ERCOT Contingency Reserve Service (ECRS) Update*

In response to Market Participants questions and concerns, Matt Mereness provided an update on the ECRS project, including highlights of the April 3, 2023 ECRS Market Readiness and Qualification Workshop; noted the April 3, 2023 Market Notice, M-A040323-01 ECRS Market Qualification Deadline; and reminded Market Participants that April 14, 2023 is the deadline for QSEs to submit the ECRS Provisional Qualification Request Form.

*Winter Storm Elliott Public Report*

Freddy Garcia noted that the Winter Storm Elliott Public Report is now posted on the ERCOT website at: <https://www.ercot.com/news/trendingtopics>

*No Report*

* Congestion Management Working Group (CMWG)
* Demand Side Working Group (DSWG)
* Market Settlement Working Group (MSWG)

Adjournment

Mr. Blakey adjourned the April 5, 2023 WMS meeting at 12:05 p.m.

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

<https://www.ercot.com/calendar/04052023-WMS-Meeting> [↑](#footnote-ref-1)