**DRAFT**

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

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

**Wednesday,** **June 7, 2023 – 9:30 a.m.**

Attendance

*Members:*

|  |  |  |
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|  |  |  |
| Allen, Thresa | Avangrid Renewables (Avangrid) | Via Teleconference |
| Barnes, Bill  | Reliant Energy Retail Services (Reliant) |  |
| Blakey, Eric | Pedernales Electric Cooperative (PEC) |  |
| Campo, Curtis | Garland Power and Light (GP&L) | Via Teleconference |
| DeLeon, Amanda | Tenaska Power Services (Tenaska) | Via Teleconference |
| Detelich, David | CPS Energy | Via Teleconference |
| Dreyfus, Mark | City of Eastland |  |
| Farhangi, Anoush | Demand Control 2 | Via Teleconference |
| Foster, Ashley | The Dow Chemical Company (Dow) | Via Teleconference |
| Goff, Eric | Consumer – Residential |  |
| Gross, Blake | AEP Service Corporation (AEPSC) |  |
| Haley, Ian | Luminant Corporation (Luminant) |  |
| Hanson, Kevin | National Grid Renewables (NG Renewables) | Via Teleconference |
| Holt, Blake | Lower Colorado River Authority (LCRA) | Alt. Rep. for Emily Jolly |
| Lee, Jim | CenterPoint Energy (CNP) |  |
| Lindberg, Ken | Bryan Texas Utilities (BTU)  | Via Teleconference |
| Nguyen, Andy | Constellation Energy Generation (Constellation) |  |
| Rich, Katie | Golden Spread Electric Cooperative (GSEC) | Via Teleconference |
| Roberts, Vincent | Texas-New Mexico Power (TNMP) | Via Teleconference |
| Smith, Mark | CMC Steel Texas (CMC Steel) | 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:

* Seth Cochran to Resmi Surendran

*Guests:*

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|  |  |  |
| Abbott, Kristin | Austin Energy | Via Teleconference |
| Anderson, Connor | AB Power Advisors | Via Teleconference |
| Anderson, Kevin | CES | Via Teleconference |
| Arnett, Rick |  | Via Teleconference |
| Ashley, Kristy | CES | Via Teleconference |
| Barati, Camron | Potomac Economics | 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 |  |
| Blackburn, Don | Hunt Energy Network Power Marketing | Via Teleconference |
| Blum, Michael | CNP | Via Teleconference |
| Bunch, Kevin | EDF Trading | Via Teleconference |
| Callender, Hudson | CPS Energy | Via Teleconference |
| Carpenter, Jeremy | Tenaska | Via Teleconference |
| Caster, Andrew | Constellation | Via Teleconference |
| Cheng, Yong | LCRA | Via Teleconference |
| Childress, John |  | Via Teleconference |
| Clifford, Brigid | PG Renewables | Via Teleconference |
| Conant, Portia | Yes Energy | Via Teleconference |
| Cortez, Sarai | Trailstone Via Teleconference |  |
| Cripe, Ramsey | Schneider Engineering | Via Teleconference |
| Daigneault, Ralph | Potomac Economics | Via Teleconference |
| Dharme, Neeraja | EDFT | Via Teleconference |
| Fink, Regan | PG Renewables | Via Teleconference |
| Hall, Matthew | Invenergy | Via Teleconference |
| Headrick, Bridget | CES |  |
| Henson, Martha | Oncor |  |
| Hubbard, John Russ | TIEC | Via Teleconference |
| Huynh, Thuy | Potomac Economics | Via Teleconference |
| Jones, Dan | DLJ Consulting, LLC | Via Teleconference |
| Keefer, Andrew | DME | Via Teleconference |
| Kirby, Brandon | GEUS | Via Teleconference |
| Koz, Brian |  | Via Teleconference |
| Kroskey, Tony | Brazos Electric Cooperative | Via Teleconference |
| Lacek, Mollie | Talen Energy | Via Teleconference |
| Lee, Tina | WattBridge | Via Teleconference |
| Lotter, Eric | GridMonitor | Via Teleconference |
| Macaraeg, Tad | Stem | Via Teleconference |
| Matt, Kevin | NRG | Via Teleconference |
| McClellan, Suzi | Good Company Associates | Via Teleconference |
| Mendoza, Albert | Occidental | Via Teleconference |
| Mock, Christopher | BP | Via Teleconference |
| Niemi, Mikko | Teal Systems | Via Teleconference |
| Noyes, Theresa | LCRA |  |
| Oaks, Noah | EE Partnership | Via Teleconference |
| Ok, Brendan | PUCT | Via Teleconference |
| Okenfuss, James | Savion | Via Teleconference |
| Pokharel, Nabaraj | OPUC | Via Teleconference |
| Powell, Christian | PEC | Via Teleconference |
| Price, Chris |  | Via Teleconference |
| Pyka, Greg | Schneider Engineering | Via Teleconference |
| Ramaswamy, Ramya | PUCT | Via Teleconference |
| Reedy, Steve | CIM View Consulting | Via Teleconference |
| Reid, Mike | Air Liquide | Via Teleconference |
| Richmond, Michele | Competitive Power | Via Teleconference |
| Ritch, John | NextEra Energy |  |
| Sandidge, Clint | Calpine | Via Teleconference |
| Showalter, Dana | Plus Power | Via Teleconference |
| Siddiqi, Shams | Crescent Power | Via Teleconference |
| Smith, Caitlin | Jupiter Power | Via Teleconference |
| Stafford, Will | GSEC | Via Teleconference |
| Stephenson, Zach | TEC | Via Teleconference |
| Teng, Shuye | LCRA | Via Teleconference |
| True, Roy | ACES Power | Via Teleconference |
| Uy, Manny | Hunt Energy | Via Teleconference |
| Varnell, John | Tenaska | Via Teleconference |
| Varnell, John | Tenaska | Via Teleconference |
| Walcavich, Colin | NG Renewables | Via Teleconference |
| Wall, Perrin | CNP | Via Teleconference |
| Wang, Ping | CFEX | Via Teleconference |
| Watson, Mark |  | Via Teleconference |
| Wilson, Joe Dan | GSEC | Via Teleconference |
| Wittmeyer, Bob | Longhorn Power |  |
| Zang, Hailing | TC Energy | Via Teleconference |
| Zhang, Kevin | Austin Energy | Via Teleconference |
| Zhang, Wen | Potomac Economics |  |

*ERCOT Staff:*

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|  |  |  |
| Albracht, Brittney |  |  |
| Anderson, Troy |  | Via Teleconference |
| Billo, Jeff |  | Via Teleconference |
| Boren, Ann |  | Via Teleconference |
| Chambers, Jason |  | Via Teleconference |
| Christy, Steve |  | Via Teleconference |
| Chu, Zhengguo |  | Via Teleconference |
| Clifton, Suzy |  |  |
| Du, Pengwei |  | Via Teleconference |
| Duus, Tim |  | Via Teleconference |
| Fohn, Doug |  | Via Teleconference |
| Garcia, Freddy |  | Via Teleconference |
| Gonzalez, Ino |  |  |
| Hahne, Cynthia |  | Via Teleconference |
| Hailu, Ted |  | Via Teleconference |
| Heinrich, Holly |  | Via Teleconference |
| Holden, Curry |  | Via Teleconference |
| King, Ryan |  |  |
| Lara, Jose |  | Via Teleconference |
| Lee, Alex |  | Via Teleconference |
| Magarinos, Marcelo |  | Via Teleconference |
| Maggio, Dave |  | Via Teleconference |
| Mago, Nitika |  | Via Teleconference |
| Matlock, Robert |  | Via Teleconference |
| Mereness, Matt |  |  |
| McGuire, Joshua |  | Via Teleconference |
| Moreno, Alfredo |  | Via Teleconference |
| Phillips, Cory |  | Via Teleconference |
| Roberts, Randy |  | Via Teleconference |
| Rosel, Austin |  |  |
| Shanks, Magie |  | Via Teleconference |
| Shaw, Pamela |  | Via Teleconference |
| Zhou, Emily |  | Via Teleconference |

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

Eric Blakey called the June 7, 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)

*May 3, 2023*

Mr. Blakey noted that the May 3, 2023 WMS Meeting Minutes could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

Technical Advisory Committee (TAC) Update

Mr. Blakey reviewed the disposition of items considered at the May 23, 2023 TAC meeting and June 5, 2023 Special TAC meeting, including action on NPRR1177, Enhance Exceptional Fuel Cost Process, and the TAC assignments to WMS to complete a holistic review of cost recovery issues and standard language for firm fuel supply contracts. Market Participants discussed the issues and the appropriate forum to consider the issues. Mr. Blakey noted the June 28, 2023 Resource Cost Working Group (RCWG) meeting, requested RCWG review the issues and provide a recommendation for the appropriate scope and forum and present at the July 12, 2023 WMS meeting.

ERCOT Operations and Market Items (See Key Documents)

*2022 Annual Unaccounted For Energy (UFE) Report*

Randy Roberts summarized the 2022 Annual UFE Report, reminded Market Participants of the potential impacts to the historical analyses upon implementation of NPRR1145, Use of State Estimator-Calculated ERCOT-Wide TLFs in Lieu of Seasonal Base Case ERCOT-Wide TLFs for Settlement, and responded to Market Participant questions and concerns.

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

John Ritch reviewed WMWG activities.

RCWG (see Key Documents)

Dana Showalter reviewed RCWG activities, including a draft RCWG scope, and requested Stakeholder clarifications by June 20, 2023 for discussion at the June 28, 2023 RCWG meeting. Mr. Blakey encouraged Market Participants to consider RCWG leadership opportunities.

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

*Nodal Protocol Revision Request (NPRR) 1172, Fuel Adder Definition, Mitigated Offer Caps, and RUC Clawback*

Eric Goff provided an overview of NPRR1172 and noted the 4/12/23 IMM comments. Ms. Showalter summarized NPRR1172 discussion at the May 24, 2023 RCWG meeting. Market Participants requested further review of the issues by the RCWG. Mr. Blakey noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

*NPRR1174, Market Participant’s Return of Settlement Funds to ERCOT Following Receipt of Overpayment*

Austin Rosel summarized NPRR1174. In response to Market Participant concerns, Doug Fohn reviewed stakeholder actions within NPRR1174 in contrast to the current Alternative Dispute Resolution (ADR) process.

**Mr. Goff moved to endorse NPRR1174 as submitted. Kevin Hanson seconded the motion. The motion carried with four abstentions from the Independent Generator (2) (Luminant, Constellation) and Independent Power Marketer (IPM) (2) (Tenaska, SENA) Market Segments.** *(Please see ballot posted with Key Documents.)*

*NPRR1179, Fuel Purchase Requirements for Resources Submitting RUC Fuel Costs*

Ino Gonzalez summarized NPRR1179. Ms. Showalter summarized NPRR1179 discussion at the May 24, 2023 RCWG meeting. Market Participants requested additional review of the issues by the RCWG. 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.

*NPRR1146, Credit Changes to Appropriately Reflect TAO Exposure*

Mr. Goff expressed concern for inactivity on NPRR1146. Shams Siddiqi provided a status update on NPRR1146 and credit calculation issues.

**Mr. Goff moved to reject NPRR1146.** The motion failed for a lack of second. WMS took no action on NPRR1146.

*NPRR1162, Single Agent Designation for a QSE and its Sub-QSEs for Voice Communications over the ERCOT WAN*

Mr. Blakey noted the 6/6/23 ERCOT comments to NPRR1162. Market Participants requested additional time to review the issues. Jason Chambers noted that the Sub Qualified Scheduling Entity (QSE) Voice Channel overview presentation was posted to the April 5, 2023 WMS meeting page and May 5, 2023 WMWG meeting page. Mr. Blakey stated that NPRR1162 would be considered at the July 12, 2023 WMS meeting. WMS too no action on this item.

WMS Revision Requests Tabled at WMS (see Key Documents)

*VCMRR033, Excluding Exceptional Fuel Costs from Fuel Adders*

*VCMRR035, Allow Verified Contractual Costs in Fuel Adder Calculation*

*VCMRR037 Related to NPRR1172, Fuel Adder Definition, Mitigated Offer Caps, and RUC Clawback*

WMS took no action on these items.

*VCMRR034, Excluding RUC Approved Fuel Costs from Fuel Adders*

Ms. Showalter summarized VCMRR034 discussion at the May 24, 2023 RCWG meeting. Ian Haley reviewed the 2/8/23 Luminant comments. Market Participants discussed initiating a holistic review of verifiable costs and that VCMRR034 is the least complex of the issues.

**Mr. Goff moved to approved VCMRR034 as submitted. Mark Dreyfus seconded the motion. The motion carried with one objection from the Independent Generator (Luminant) Market Segment, and three abstentions from the Independent Generator (Constellation), IPM (NG Renewables), and Investor Owned Utility (AEPSC) Market Segments.** *(Please see ballot posted with Key Documents.)*

Demand Side Working Group (DSWG) (see Key Documents)

*DSWG Leadership*

Mr. Hanson reviewed DSWG activities, and presented the proposed DSWG leadership of Mr. Hanson, NG Renewables, as Chair and Mark Smith, CMC Steel Texas, as Vice-Chair. Mr. Blakey noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

Meter Working Group (MWG)

*MWG Leadership*

Michael Blum presented the proposed MWG leadership of Mr. Blum, CenterPoint Energy, as Chair and Kyle Stuckly, Oncor, as Vice-Chair. Mr. Blakey noted this item could be considered for inclusion in the [Combined Ballot.](#Combined_Ballot)

Combined Ballot

**Bill Barnes moved to approve the Combined Ballot as follows:**

* **To approve the May 3, 2023 WMS Meeting Minutes as submitted**
* **To request PRS continue to table NPRR1172 for further review by RCWG**
* **To request PRS continue to table NPRR1179 for further review by RCWG**
* **To approve DSWG Chair: Kevin Hanson, NG Renewables, and Vice Chair: Mark Smith, CMC Steel Texas**
* **To approve MWG Chair: Michael Blum, CenterPoint Energy and Vice Chair: Kyle Stuckly, Oncor**

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

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

Mr. Hanson reviewed SAWG activities and encouraged Market Participants to consider leadership opportunities

Other Business (see Key Documents)

*Review Open Action Items*

Jim Lee summarized TAC direction for WMS Assignments as discussed at the May 23, 2023 TAC meeting. Market Participants removed the following from the WMS Open Action Items list:

* Address Day-Ahead Market (DAM) Performance (DAM delays)
* Evaluate the current Texas Commission on Environmental Quality (TCEQ) enforcement discretion process and look for improvements with managing potential emission limitation issues and address the following issues:
* addressing impact to market prices from implementing this discretion
* addressing the lost opportunity of resources whose were reserving the emission limits for summer scarcity
* State vs. Federal discretion authority
* Review the issues raised along with the impacts of Other Binding Document Revision Request (OBDRR) 031 and return to the October 27, 2021 TAC meeting with recommendations
* Review issues related to Addition of Weatherization Inspection Fees to the ERCOT Fee Schedule and Clarification of Generation
* Review credit implications from potential hedging issues and credit risk for Demand Response customers due to high prices

*ERCOT Contingency Reserve Service (ECRS)*

Mr. Mereness reminded Market Participants of the ECRS upgrade go live on June 8, 2023, reviewed cutover activities, stated that ERCOT would distribute a Market Notice once completed, and thanked Market Participants and Vendors for their support in the project.

*No Report*

* Congestion Management Working Group (CMWG)
* Market Settlement Working Group (MSWG)

Adjournment

Mr. Blakey adjourned the June 7, 2023 WMS meeting at 11:34 a.m.

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

<https://www.ercot.com/calendar/06072023-WMS-Meeting> [↑](#footnote-ref-1)