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| NPRR Number | [1186](https://www.ercot.com/mktrules/issues/NPRR1186) | NPRR Title | Improvements Prior to the RTC+B Project for Better ESR State of Charge Awareness, Accounting, and Monitoring |

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| Date | August 31, 2023 |

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| Submitter’s Information |
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| Comments |

Aspire Power Ventures, LP (“Aspire”) appreciates the opportunity to provide these comments regarding Nodal Protocol Revision Request (NPRR) 1186. As a Qualified Scheduling Entity (QSE), Aspire is deeply concerned about the adverse effects that approval of NPRR1186 likely would have on the already challenged ERCOT Contingency Reserve Service (ECRS) market and on the efficient operation of the grid. For this reason, Aspire encourages the remand of NPRR1186 to the Technical Advisory Committee (TAC) where the effects of limited Energy Storage Resources (ESR) operations might have on the ECRS market, its prices, and its liquidity.

Aspire does not challenge ERCOT’s desire for improved access to information related to ESRs State of Charge (SOC). However, the call for ESRs to materially underutilize their discharge capabilities, especially in the tight operating conditions that ERCOT currently encounters, is inefficient and unnecessary. By making it materially more difficult to operate, NPRR1186 would impair ESR participation in the ECRS market. This is especially disconcerting given the limited role of ESRs in the ECRS market to date. On August 17, 2023, ERCOT presented materials showing that gas-fired generators have received more than 85% of the ECRS proceeds in the first six weeks of the ECRS market’s implementation. A deeper analysis likely would show that a concentrated number of gas-fired Resources actually received the ECRS proceeds and likely would have offered into the energy market absent the ECRS. Increased offers from ESRs should reduce the costs that consumers incur from the ECRS market as increased participation should shift the offer stack.

NPRR1186 is largely redundant and unneeded in light of NPRR1096, Require Sustained Two-Hour Capability for ECRS and Four-Hour Capability for Non-Spin, which was passed last year. NPRR1096 created a two-hour capacity responsibility duration requirement for Resources providing ECRS and gives ERCOT authority to conduct unannounced testing of ESRs that offer Non-Spinning Reserve (Non-Spin) or ECRS. The amount of SOC retained by an ESR as it fulfills its obligation to meet the two-hour capacity responsibility duration requirement does not affect the actual provision of that two-hour service. Further, to the extent that ERCOT worries that an ESR might not be able to fulfill its obligations related to offers into the ECRS market, ERCOT already has a right to conduct unannounced testing of that ESR.

At the Public Utility Commission of Texas (PUCT) August 24, 2023 Open Meeting, several Commissioners highlighted concerns about NPRR1186. In particular, Commissioner Glotfelty highlighted the problems with preventing ESRs from operating as efficiently as they are capable. NPRR1186 has rushed through the ERCOT stakeholder process at a pace that has limited proper discourse and consideration. The fact that three Commissioners already have vocalized concern about NPRR1186 is telling. This concern further suggests that remand to TAC for deeper analysis is appropriate.

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| Revised Cover Page Language |

None

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| Revised Proposed Protocol Language |

None