**PWG Meeting Notes** – October 13th, 2023

Via WebEx 9:30 AM

Attendees:

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| Richard Beasley - CNP | Bruce Gray | Sam Pak - Oncor | Chris Rowley - Oncor |
| Callie Boggs – Goff Policy | Mansoor Khanmohamed - BP | Kyle Patrick - NRG | Kathy Scott - CNP |
| Sam Cannon - ERCOT | Eric Lotter – Grid Monitor | Steve Pliler - Vistra | Bill Snyder - AEP |
| Angela Ghormley - Calpine | Dee Lowerre - NRG | Diana Rehfeldt - TNMP | Jordan Troublefield - ERCOT |
| Eric Goff – Goff Policy | Debbie McKeever - Oncor | Randy Roberts - ERCOT | Sheri Wiegand - Vistra |

* **Meeting notes for August 9th were reviewed and approved with no revisions.**
  + Sam Pak reviewed the meeting notes from the PWG meeting on 08/09/23, and the meeting notes were approved.
  + Sam followed up on one of the written questions that Sheri posed for the 5/12/23 meeting, regarding RIDs and SODGs. Although Randy provided clarity around profile code parameters and DG registration, it was decided to take the conversation offline for further clarification.
  + Sam mentioned that he will be scheduling discussions with the TDUs regarding improving Annual Validation communications.
* **2023 Annual Validation Update**
  + Sam Cannon provided an Annual Validation update, noting the four remaining AEP profiles and one profile for Nueces. Sam said that each of the TDUs met the 99% threshold. Sam Pak agreed and said that the 2023 Annual Validation process is completed.
  + As noted previously in PWG, Annual Validations will not be performed in 2024 (both residential and business). Residential and business validations will be performed in 2025 and only business profiles will be validated in 2026.
* **Annual Validation and Load Profiles Purpose and Needs**
  + Debbie McKeever began the discussion by describing an AV/LP document that is needed for further discussion with TAC. The document should be global and implement language from TAC commentary.
  + Sam advised the meeting that a revision request had been filed regarding Annual Validation and Load Profiles. Sam noted that the sponsor of the request (Eric Goff) was in attendance and invited Eric to speak about the request.
  + Eric said that some of the legacy uses of Load Profile should be discontinued. Eric stressed that there is no immediate urgency to act; and that the revision motivation is to end practices that are no longer useful and to preserve useful practices. Eric added that because advanced meters have been utilized for years in the market, the market should be exploring ways to use AMS data in lieu of load profiles (such as using EDI attributes to include premise data). Eric advised the meeting, “I am trying to rock the boat just a little.” Eric encouraged attendees to review the revision request and to respond to the document, so the feedback can be discussed at a future meeting.
  + Kathy Scott spoke next, saying that Annual Validation does not provide accurate information and that data can be up to three years old. Kathy said she has driven past businesses that have been closed or partially closed. The load profiles for those premises are therefore modeled incorrectly. Kathy said that Annual Validation should not be continued simply because AV was performed in the past. Kathy said that the TDUs perform most of the tedious AV work and coordination with ERCOT. “We need to show cost justification for $1 million spent for validation,” Kathy added. She said that premise information can be drawn from rate classes, LOAs, and other ways. Kathy suggested that load profiles can be corrected via MarkeTraks, especially if the information is so critical.
  + Dee Lowerre stated that all the data points just mentioned were utilized to place customer on the correct cost plan. Incorrect pricing data is detrimental to the customer, including the especially important distinction of gas or electric heating on a premise. Pricing data must be pulled from multiple points, and it is likely that smaller REPs are even more dependent on LPs for pricing.
  + Eric agreed that gas/electric heating is a main driver for AV/LP. He expressed the need to move to a market dynamic in which LOAs are processed automatically and usage data is returned in minutes. Faster delivery of that data would indicate abnormal load shapes more quickly, which would benefit demand response and the state. Eric told the meeting, “I just want to fix the problems that make load profiles necessary. I want to work on the LOA process to be seamless and frictionless.”
  + Sheri commented that Eric made good points and agreed that moving away from load profiles would be an evolution over time. She said that pricing a customer via SMS requires a lot of data. LP gives a good base from which to price customers. Large REPs can manage the data although smaller REPs are more dependent on LPs. Currently both AMS data and LPs are being used although the market is slowly moving away from LPs. The change will take time. The LPs are still needed, and AV assures LP accuracy. Sheri agreed that commercial premises and their power requirements can change quickly, which underscores the need for AV. Sheri and Eric spoke about the need to increase SMT data accessibility while balancing consumer data protection.
  + Kathy pointed out that REPs receive a customer’s LP via EDI when the REP becomes REP of Record, and that data can be preserved by REPs.
  + Dee expressed uncertainty regarding the $1 million figure mentioned. Kathy clarified that the figure came from TAC and represents the amount spent by the TDUs and ERCOT on AV/LPs over a ten-year period. Dee observed that CenterPoint seemed to be the only TDU questioning AV/LP. Each of the other TDUs were then asked to state their position on AV/LP. Chris Rowley said that Oncor supports keeping AV, as the LPs would become unusable over time without AV. Chris also said that REPs would incur a cost from low load profile cessation which would be passed to customers. Diana Rehfeldt said that TNMP agrees with Kathy, as AV stretches TNMP IT resources. Bill Snyder of AEP said that the TDU’s process is quick and costs about $40,000 annually. Bill stated that AEP knows that AV/LP contains value for the REPs although he also sees Kathy’s point.
  + Sheri said that $1 million over ten years seems inconsequential compared to the amount REPs would have to invest if AV/LPs were ended. She advised that currently REPS can price with thirteen pieces of information (twelve months of summary data and one load profile). Without load profiles, there is much more data that is less manageable.
  + Eric stated that changes to the LOA process should be explored to reduce LP dependency, saying “I think an automated LOA process that provides a more accurate substitute to LPs is a better use of our time.” Eric said that the best industry practices should be utilized to preserve the customer’s attention and shopping intent. Sam inquired if the suggestion was to ease access to SMT; Sam and Eric agreed that TAC was the appropriate setting for that topic. Kyle Patrick said that he likes the sequence of finding an AV alternative before ending AV and that Eric is on the right track.
  + Sam observed that some of the conversations needed on the topic should occur outside of PWG. He also said that he would collaborate with supporting REPS on needed verbiage around the discussion. Eric will be taking discussed topics back to TAC, including automation of the LOA process.
* **IDR/AMS BUSLRG Updates from TDSPs**

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* + Sam said there has been limited movement among the profile numbers, including from CenterPoint. Diana said that about one hundred of the TNMP ESIIDs would not be transitioning.
* **Parking Lot Items**
* **Conversion of Profile Decision Tree from Excel to Word** – Jordan Troublefield advised that the first draft has been completed. The draft will be reviewed internally by ERCOT before publication in early 2024. Sam reminded the meeting that the purpose of the conversion is to make the document more searchable and utilized.
  + **LPGRR073 (Administrative update)** - Jordan and Sam discussed a one-word edit to the revision request. The word “approve” was deleted from the document, to reflect that administrative LPGRRs do not follow the usual change control process and are not approved by TAC.
* **Future Meeting Dates**

Sam confirmed that the upcoming PWG meeting sequence. The meeting for November 8th will remain cancelled. The next PWG meeting will be held on December 8th.

* **DRAFT Agenda for December 8th meeting:**
  + **2023 Annual Validation (TAC verbiage)**
  + **IDR/AMS BUSLRG Updates from TDSPs**
  + **Annual Validation Suspension via LPGRR 070** (Reminder item?)
  + **Conversion of the Profile Decision Tree from Excel to Word format (LPGRR)**