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| **Date:** | December 12, 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:** December 19, 2023  **Item No.:** 4.1 |

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| **Issue:**Consideration of the following Revision Requests: Nodal Protocol Revision Requests (NPRRs), Nodal Operating Guide Revision Request (NOGRR), Planning Guide Revision Request (PGRR), and Retail Market Guide Revision Request (RMGRR) recommended for approval by TAC (with no opposing votes recorded):  * NPRR1181, Submission of Coal and Lignite Inventory Notifications; * NPRR1192, Move OBD to Section 22 – Requirements for Aggregate Load Resource Participation in the ERCOT Markets; * NPRR1196, Correction of NCLR Ancillary Service Failed Quantity Calculations under NPRR1149; * NPRR1201, Limitations on Resettlement Timeline and Default Uplift Exposure Adjustments; * NPRR1204, Considerations of State of Charge with Real-Time Co-Optimization Implementation – URGENT; * NOGRR257, Removal of Redundant ERS Reporting Requirement; * PGRR110, Revision to Accommodate Steady-State Node-Breaker Modeling; and * RMGRR176, Addition of Market Processes Specific to LP&L – URGENT. |
| **Background/History:** **Unless otherwise noted: (i) all Market Segments participated in each vote; (ii) For NPRRs, ERCOT Credit Staff and the Credit Finance Sub Group (CFSG) 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.**   * ***NPRR1181, Submission of Coal and Lignite Inventory Notifications***   **Sponsor:**  ERCOT  **Proposed Effective Date:** The first of the month following Public Utility Commission of Texas (PUCT) approval  **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 adds the requirement for Qualified Scheduling Entities (QSEs) to notify ERCOT if the coal and lignite inventory level available for Real-Time operations is projected to fall below 15 days of operation at the High Sustained Limit (HSL). If the coal or lignite inventory level available for Real-Time operations is projected to fall below 10 days of operation at HSL, QSEs will be required to provide ERCOT daily inventory updates until the inventory level projection increases above 15 days. For coal or lignite Generation Resources located within 15 miles of their fuel supply or that were originally designed to be located within 15 miles of their fuel supply and are not capable of storing onsite inventory for at least 30 days of operation at the HSL, the QSE must notify ERCOT of any disruption to the coal or lignite supply operations that could impact operations of the Generation Resource within two days of such disruption and provide an explanation.  **TAC Decision:** On 12/4/23, TAC unanimously voted to recommend approval of NPRR1181 as recommended by PRS in the 11/9/23 PRS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1181 and believes the market impact for NPRR1181 establishes visibility into coal and lignite inventory levels at power plants, increases awareness and facilitates ERCOT’s ability to assess associated risks, and informs state leadership and regulators as needed.  **IMM Opinion:** The IMM supports NPRR1181.   * ***NPRR1192, Move OBD to Section 22 – Requirements for Aggregate Load Resource Participation in the ERCOT Markets***   **Sponsor:** ERCOT  **Proposed Effective Date:** Upon system implementation  **ERCOT Impact Analysis:** Less than $5K (O&M); no impacts to ERCOT staffing; impacts to ERCOT Website and MIS Systems and Channel Management Systems; ERCOT business processes will be updated; no impacts to ERCOT grid operations and practices.  **Revision Description:** This NPRR incorporates the Other Binding Document “Requirements for Aggregate Load Resource Participation in the ERCOT Markets” into the Protocols.  **TAC Decision:** On 10/24/23, TAC voted unanimously to recommend approval of NPRR1192 as recommended by PRS in the 10/12/23 PRS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1192 and believes it has a positive market impact by standardizing the approval process for binding language.   * ***NPRR1196, Correction of NCLR Ancillary Service Failed Quantity Calculations under NPRR1149***   **Sponsor:** ERCOT  **Proposed Effective Date:** Upon implementation of NPRR1149, Implementation of Systematic Ancillary Service Failed Quantity Charges  **ERCOT Impact Analysis:** None; no impacts to ERCOT staffing; impacts to ERCOT Website and MIS Systems and Channel Management Systems; no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices. (There are no additional impacts to this NPRR beyond what was captured in the Impact Analysis for NPRR1149.)  **Revision Description:** This NPRR makes corrections and updates to equations used to determine Ancillary Service Failed Quantity calculations for Load Resources other than Controllable Load Resources (“NCLRs”) which were developed under NPRR1149.  **TAC Decision:** On 10/24/23, TAC voted unanimously to recommend approval of NPRR1196 as recommended by PRS in the 10/12/23 PRS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1196 and believes the market impact for NPRR1196 corrects and clarifies language and equations related to NPRR1149.  **IMM Opinion:** The IMM supports NPRR1196.   * ***NPRR1201, Limitations on Resettlement Timeline and Default Uplift Exposure Adjustments***   **Sponsor:** ERCOT  **Proposed Effective Date:** The first of the month following PUCT approval for Sections 9.2.5, DAM Resettlement Statement, and 9.5.6, RTM Resettlement Statement; Upon system implementation (Priority 2024; Rank 4080) for Section 9.19.1, Default Uplift Invoices  **ERCOT Impact Analysis:** Between $40K and $70K; no impacts to ERCOT staffing; impacts to Credit Management Systems and Settlements & Billing Systems; no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices.  **Revision Description:** This NPRR reduces exposures for both ERCOT and Market Participants for resettlements and Default Uplift Invoices for historical Operating Days. This NPRR limits timeline for resettlement due to errors that are discovered, and a Market Notice of the error is provided to Market Participants, within one year after the Operating Day. This limit does not apply to resettlement due to an Alternative Dispute Resolution (ADR), a Return of Settlement Funds (RSF), or a resettlement directed by the ERCOT Board to address unusual circumstances. This NPRR also adjusts the Maximum MWh Activity formula in Section 9.19.1 to only consider Congestion Revenue Rights (CRRs) owned during the Operating Days of the reference month, and to not consider CRRs that may have been bought or sold for the month, but are no longer owned on the given Operating Days of the reference month.  **TAC Decision:** On 12/4/23, TAC unanimously voted to recommend approval of NPRR1201 as recommended by PRS in the 11/9/23 PRS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1201 and believes this NPRR reduces exposure to existing and exited Market Participants by providing finality of Settlement while still allowing for disputing and correcting inaccurate Settlements within a reasonable time frame.   * ***NPRR1204, Considerations of State of Charge with Real-Time Co-Optimization Implementation – URGENT***   **Sponsor:** ERCOT  **Proposed Effective Date:** Upon implementation of PR447, Real-Time Co-Optimization (RTC) – Priority 2023; Rank 235  **ERCOT Impact Analysis:** Between $750K and $1.0M; no impacts to ERCOT staffing; impacts to Market Operation Systems and Energy Management Systems; no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices. (The budgetary and system impacts reflected above are captured in PR447.)  **Revision Description:** This NPRR implements the State of Charge (SOC) concepts necessary for awareness, accounting, and monitoring of SOC for Energy Storage Resources (ESRs) within the Real-Time Co-optimization plus Batteries (“RTC+B”) implementation and allow the design to evolve from the interim solutions being proposed under NPRR1186, Improvements Prior to the RTC+B Project for Better ESR State of Charge Awareness, Accounting, and Monitoring.  **TAC Decision:** On 12/4/23, TAC voted unanimously to recommend approval of NPRR1204 as recommended by PRS in the 11/9/23 PRS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1204 and believes the market impact for NPRR1204 provides necessary SOC accounting within the RTC design for Day-Ahead, RUC, and Real-Time Market systems.  **IMM Opinion:** The IMM supports NPRR1204.   * ***NOGRR257, Removal of Redundant ERS Reporting Requirement***   **Sponsor:** ERCOT  **Proposed Effective Date:** The first of the month following PUCT approval  **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.  **Revision Description:** This NOGRR resolves a conflict in Emergency Response Service (ERS) event reporting timelines between the Operating Guide and Protocols by striking the 90-day event reporting requirement in the Operating Guide.  **TAC Decision:** On 10/24/23, TAC voted unanimously to recommend approval of NOGRR257 as recommended by ROS in the 10/5/23 ROS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NOGRR257 and believes the market impact for NOGRR257 is the removal of duplicative reporting requirements within the Nodal Operating Guide as more detailed reporting already exists within Protocols.   * ***PGRR110, Revision to Accommodate Steady-State Node-Breaker Modeling***   **Sponsor:** ERCOT  **Proposed Effective Date:** The first of the month following PUCT approval  **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.  **Revision Description:** This PGRR removes Planning Guide language to accommodate the release of steady-state planning models in node-breaker format pursuant to System Change Request (SCR) 789, Update NMMS Topology Processor to PSSE 34 Capability.  **TAC Decision:** On 10/24/23, TAC voted unanimously to recommend approval of PGRR110 as recommended by ROS in the 10/5/23 ROS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed PGRR110 and believes that it provides a positive market impact by creating market efficiencies and enhancements through the removal of Planning Guide langauge in order to accommodate the release of steady-state planning models in node-breaker format pursuant to SCR789.   * ***RMGRR176, Addition of Market Processes Specific to LP&L – URGENT***   **Sponsor:** Lubbock Retail Integration Task Force (LRITF)  **Proposed Effective Date:** The first of the month following PUCT approval  **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.  **Revision Description:** This RMGRR provides descriptions of the retail market processes that Lubbock Power & Light (LP&L) will utilize when they begin offering Customer Choice in their service territory.  **TAC Decision:** On 12/4/23, TAC voted unanimously to recommend approval of RMGRR176 as recommended by RMS in the 11/7/23 RMS Report; and the 11/14/23 Impact Analysis.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed RMGRR176 and believes that it provides a positive market impact by addressing operational issues through descriptions of the retail market processes that LP&L will utilize when they begin offering Customer Choice in their service territory.  The TAC Reports and Impact Analyses for these Revision Requests are included in the [ERCOT Board meeting materials](https://www.ercot.com/calendar/12192023-Board-of-Directors-Meeting).  In addition, these Revision Requests ([NPRRs](https://www.ercot.com/mktrules/issues/nprr), [NOGRR](https://www.ercot.com/mktrules/issues/nogrr), [PGRR](https://www.ercot.com/mktrules/issues/pgrr), and [RMGRR](https://www.ercot.com/mktrules/issues/rmgrr)) 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 1181, 1192, 1196, 1201 and 1204.  The ROS met, discussed the issues, and submitted reports to TAC regarding NOGRR257 and PGRR110.  The RMS met, discussed the issues, and submitted reports to TAC regarding RMGRR176. |
| **Conclusion/Recommendation:** As more specifically described above, TAC recommends that the Board recommend approval of NPRRs 1181, 1192, 1196, 1201 and 1204; NOGRR257; PGRR110; and RMGRR176. |

**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 (NPRR), Nodal Operating Guide Revision Request (NOGRR), Planning Guide Revision Request (PGRR), and Retail Market Guide Revision Request (RMGRR) recommended for approval by TAC:

* NPRR1181, Submission of Coal and Lignite Inventory Notifications;
* NPRR1192, Move OBD to Section 22 – Requirements for Aggregate Load Resource Participation in the ERCOT Markets;
* NPRR1196, Correction of NCLR Ancillary Service Failed Quantity Calculations under NPRR1149;
* NPRR1201, Limitations on Resettlement Timeline and Default Uplift Exposure Adjustments;
* NPRR1204, Considerations of State of Charge with Real-Time Co-Optimization Implementation – URGENT;
* NOGRR257, Removal of Redundant ERS Reporting Requirement;
* PGRR110, Revision to Accommodate Steady-State Node-Breaker Modeling; and
* RMGRR176, Addition of Market Processes Specific to LP&L – URGENT.

THEREFORE, BE IT RESOLVED, that the Board hereby recommends approval of NPRRs 1181, 1192, 1196, 1201 and 1204; NOGRR257; PGRR110; and RMGRR176.

**CORPORATE SECRETARY’S CERTIFICATE**

I, Jonathan M. Levine, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its December 19, 2023 meeting, the Board passed a motion approving the above Resolution by \_\_\_\_\_\_.

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

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Jonathan M. Levine

Assistant Corporate Secretary