|  |  |  |  |
| --- | --- | --- | --- |
| NPRR Number | [1191](https://www.ercot.com/mktrules/issues/NPRR1191) | NPRR Title | Registration, Interconnection, and Operation of Customers with Large Loads; Information Required of Customers with Loads 25 MW or Greater |
|  | |  | |
| Date | | December 20, 2023 | |
|  | |  | |
| Submitter’s Information | | | |
| Name | | Aaron Tinjum | |
| E-mail Address | | [aaron@datacentercoalition.org](mailto:aaron@datacentercoalition.org) | |
| Company | | Data Center Coalition | |
| Phone Number | | 651-202-7568 | |
| Market Segment | | Consumers | |

|  |
| --- |
| Comments |

The Data Center Coalition (DCC) appreciates the opportunity to submit these Comments[[1]](#footnote-1) on the Electric Reliability Council of Texas (ERCOT)'s proposed Nodal Protocol Revision Request (NPRR) 1191, specifically the load ramp rate limitations topic. DCC’s brief comments and recommendations are presented below.

1. ***Introduction***

DCC is the national membership organization for the data center industry, representing leading data center owners and operators who maintain data center infrastructure across the country and globe. DCC empowers and champions the data center community through public policy advocacy, thought leadership, stakeholder outreach, and community engagement. DCC has 27 member companies, a majority of which have operations in Texas.

Traditional data centers provide the underlying infrastructure and services that support distance learning, remote work and collaboration, telehealth, video conferencing, exchange of news and urgent information, e-commerce, government agencies and programs, entertainment, and many other technologies central to our daily lives. They have materially different load profiles, business models, and operational characteristics from crypto mining and crypto staking firms. DCC’s membership does not include any companies that conduct cryptocurrency mining or cryptocurrency staking as their primary business.

1. ***Load Ramp Rate Limitations***

The load ramp rate limitations proposed in NPRR 1191 are unprecedented, would restrict traditional data center operations, are incompatible with the standard course of business, and do not provide sufficient lead time or a grace period. For these reasons, DCC has not provided suggested edits to the proposal and urges ERCOT to reconsider the proposed load ramp rate restrictions altogether. DCC is open to reviewing and considering alternative proposals, but fundamentally believes that placing restrictions on how data centers or other customers ramp electric demand up or down is not workable, would directly interfere with the essential services supported by data centers, and could undermine Texas’s status as a leader in data center development.

1. **The load ramp rate limitations outlined in NPRR 1191 are unprecedented.**

To DCC’s awareness, ERCOT would be the first of any large RTO/ISO to place such stringent requirements on large end users and would be considerably out of the ordinary for data centers and other large customers. DCC is concerned that much of what is proposed in NPRR 1191 will place confusing, onerous, and simply infeasible requirements on large end users.

At a fundamental level, it is not clear to DCC what type of events or situations are subject to the proposed ramp rate restrictions (i.e. emergency events, voluntary curtailment, power outages and coming back online) or whether it simply applies to all situations.

As discussed in DCC’s October 6, 2023 comments on the interconnection process topic, NPRR 1191 requires large load users to interface directly with ERCOT. While DCC member companies certainly welcome engagement with ERCOT and other RTO/ISOs, such requirements would be a new, additional, and potentially costly process for DCC members and other large end users.

In some instances, NPRR 1191 would require large end users to provide ERCOT with information they are not accustomed to providing to a grid operator, such as detailed load or modeling information. It is DCC’s understanding that utilities currently only share 15-minute interval data with ERCOT. If this is required of large end users, it could require more sophisticated metering or building management systems, or reporting features that were simply not part of the original plan. Additionally, some large end users may find it difficult to meet new requirements within the normal course of business and would need to dedicate additional resources to meet these requirements. This includes the proposed ramp rate limitations, which would require exempt loads to directly notify ERCOT of material load changes by updating the load registration in the Resource Integration & Ongoing Operations (RIOO) application.

Most importantly, the proposed ramp restrictions would place strict limitations on how large customers can use electricity, thereby inhibiting their ability to effectively manage operations and deliver essential services to their customers. Setting such tight restrictions (i.e. 5% of peak demand per minute for reductions, 2% for ramp ups) may cause certain data center companies to breach contractual provisions with their customers regarding up-time and reliability. Data center companies would have no recourse for remedies available from ERCOT under such restrictions.

1. **Data center operations are 24/7 and support essential services, an ability that would be upended by the ramp rate limitations proposed in NPRR 1191.**

The proposed ramp rate limitations would cause a number of problems for many large customers, especially data centers. The restrictions overlook the essential services supported by data centers by constraining operations to a degree that is not compatible with how data centers operate. For example, the limitations would impact the ability to commission and test equipment and perform other routine maintenance. During commissioning and routine testing, load can spike for short periods of time. By restricting how much power demand can increase or decrease, NPRR 1191 would inhibit the ability of data centers to conduct routine maintenance.

Additionally, the limitations would prevent the overall orchestration and optimization of data center portfolios. Similar to how a grid operator needs to manage supply and demand on the electricity grid, many data center operators need to manage computing load across multiple facilities to provide essential services. For example, a data center in one region may need to ramp up quickly if a service provided by a facility in another location goes down. The proposed ramp rate limitations would eliminate the flexibility needed by data center operators to reliably provide services to customers.

Finally, the ramp rate limitations will restrict the industry’s ability to innovate and integrate new technologies. The data center industry is an evolving industry that often utilizes new technologies that can require adjustments in operations. Placing such drastic limitations on how customers, including data centers, can utilize existing and future technology would hamper efforts to grow in the state of Texas.

1. **Any approved revision to load ramp rate limitations should only be applicable after a sufficient grace period.**

Apart from the general incompatibility of the ramp rate restrictions with data center operations and the unprecedented nature of the proposal, there is simply not enough time for the data center industry to adjust and plan accordingly.

Under NPRR 1191, large loads that received approval to energize prior to March 2022 would be exempt from the limitations. This cutoff is far too early; loads approved to energize after this date may have already started service or, at the very least, have designed facilities and committed resources with the understanding that they could operate freely within the capacity outlined in their interconnection study and utility agreements.

1. ***Conclusion***

DCC appreciates the opportunity to provide comments on the load ramp limitations as it relates to NPRR 1191. We respectfully request that ERCOT consider DCC’s comments and recommendations above related to the ramp rate limitations proposed under NPRR 1191.

|  |
| --- |
| Revised Cover Page Language |

None

|  |
| --- |
| Revised Proposed Protocol Language |

None

1. The Data Center Coalition ([www.datacentercoalition.org](http://www.datacentercoalition.org)) is a membership organization of leading data center owners and operators. Public testimony and written comments submitted by DCC do not necessarily reflect the views of each individual DCC member. [↑](#footnote-ref-1)