



Item 8.3: Commercial Markets Update – **REVISED***

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Senior Vice President and Chief Operating Officer

Reliability and Markets Committee Meeting

ERCOT Public

April 22, 2024

*Slide 2 corrected 4/19/2024

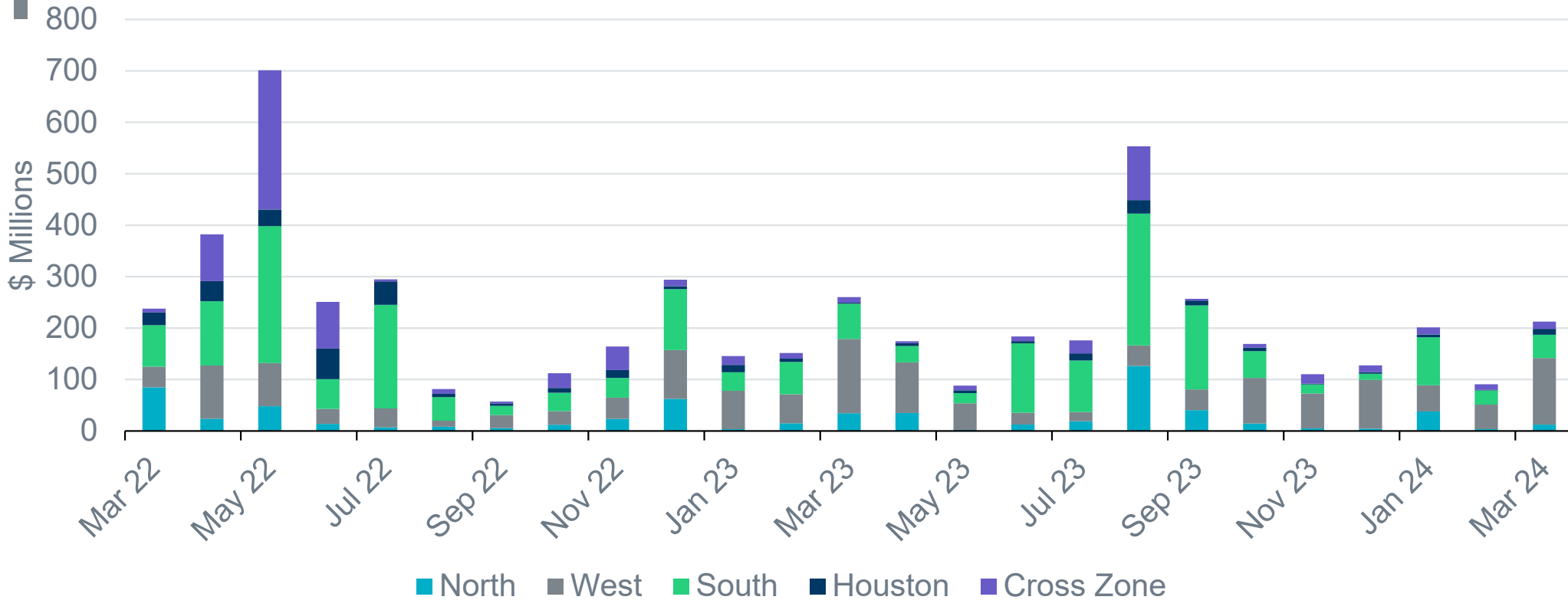
Overview

- **Purpose**
 - Update the Committee on Aggregate Distributed Energy Resource (ADER) Pilot
- **Voting Items / Requests**

No action is requested of the Reliability and Markets (R&M) Committee or Board; for discussion only
- **Key Takeaways**
 - No new developments under ADER since the last report. The team continues to work on qualifying ERCOT Contingency Reserve Service (ECRS) and noncontrollable loads.

Appendix

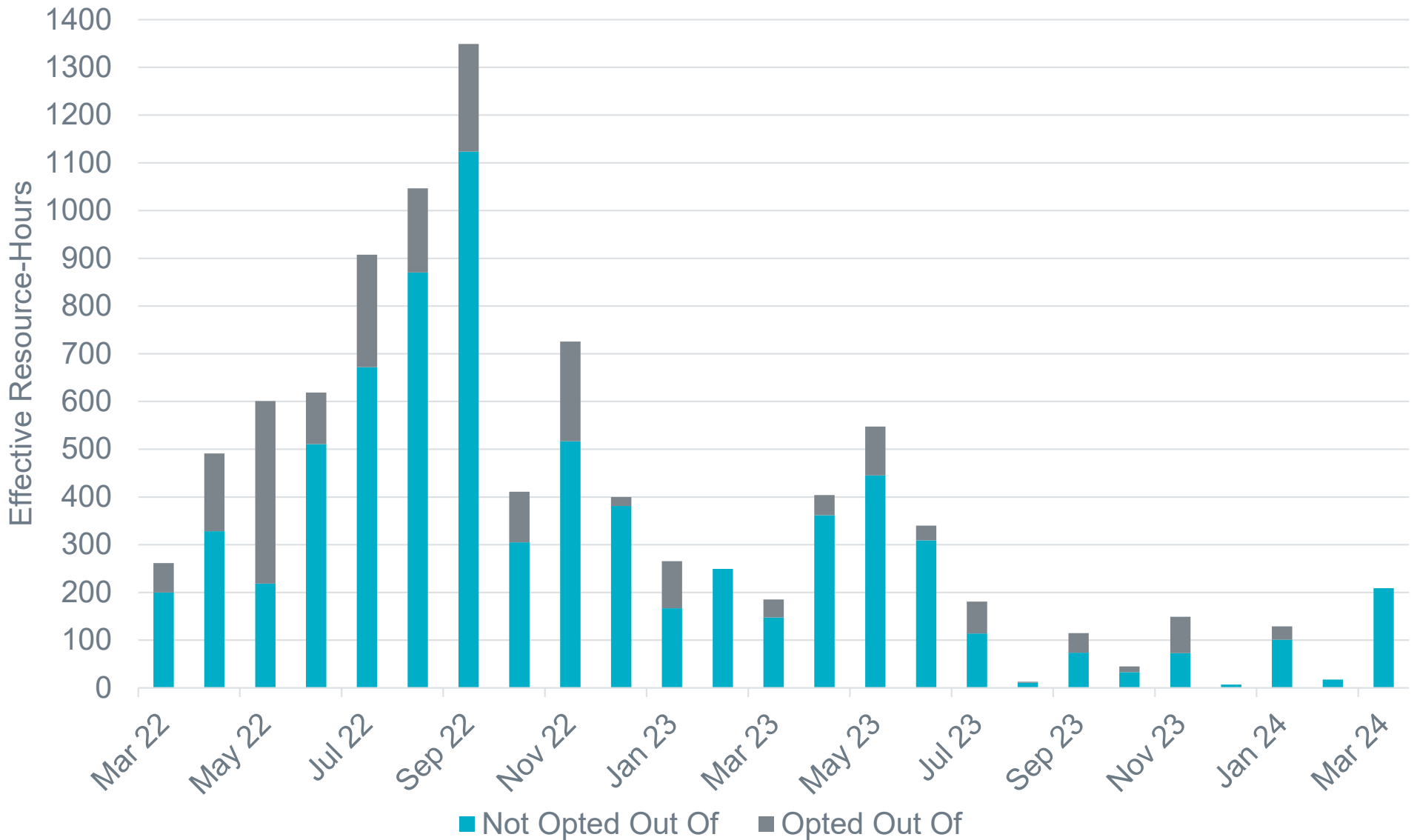
Real-Time Congestion Rent by Zone



- Congestion Rent is determined using the shadow prices and MW flows for individual constraints in SCED as well as the duration of congested SCED intervals.
- In March, total Real-Time congestion rent increased compared to February, with the highest congestion rent observed in the West and South Zones.
 - West Zone congestion rent was due to overloads on the 345kV line from Tonkawa Switch to Morgan Creek, caused by the loss of two 345kV circuits and compounded by high gas and wind generation and several planned outages.
 - Congestion rent in the South Zone was mainly due to the loss of the 138kV line from Laredo VFT North to Las Cruces and its associated Fowlerton 345/138 auto transformer, leading to overloads.
- The “Cross Zone” category consists of cases in which the substations on either end of the constraint are in different zones.



Ten Resources were Committed March for Capacity and Congestion



“Effective Resource-Hours” excludes any period during a Reliability Unit Commitment hour when the RUC-committed Resource was starting up, shutting down, off-line, or otherwise not available for dispatch by SCED.

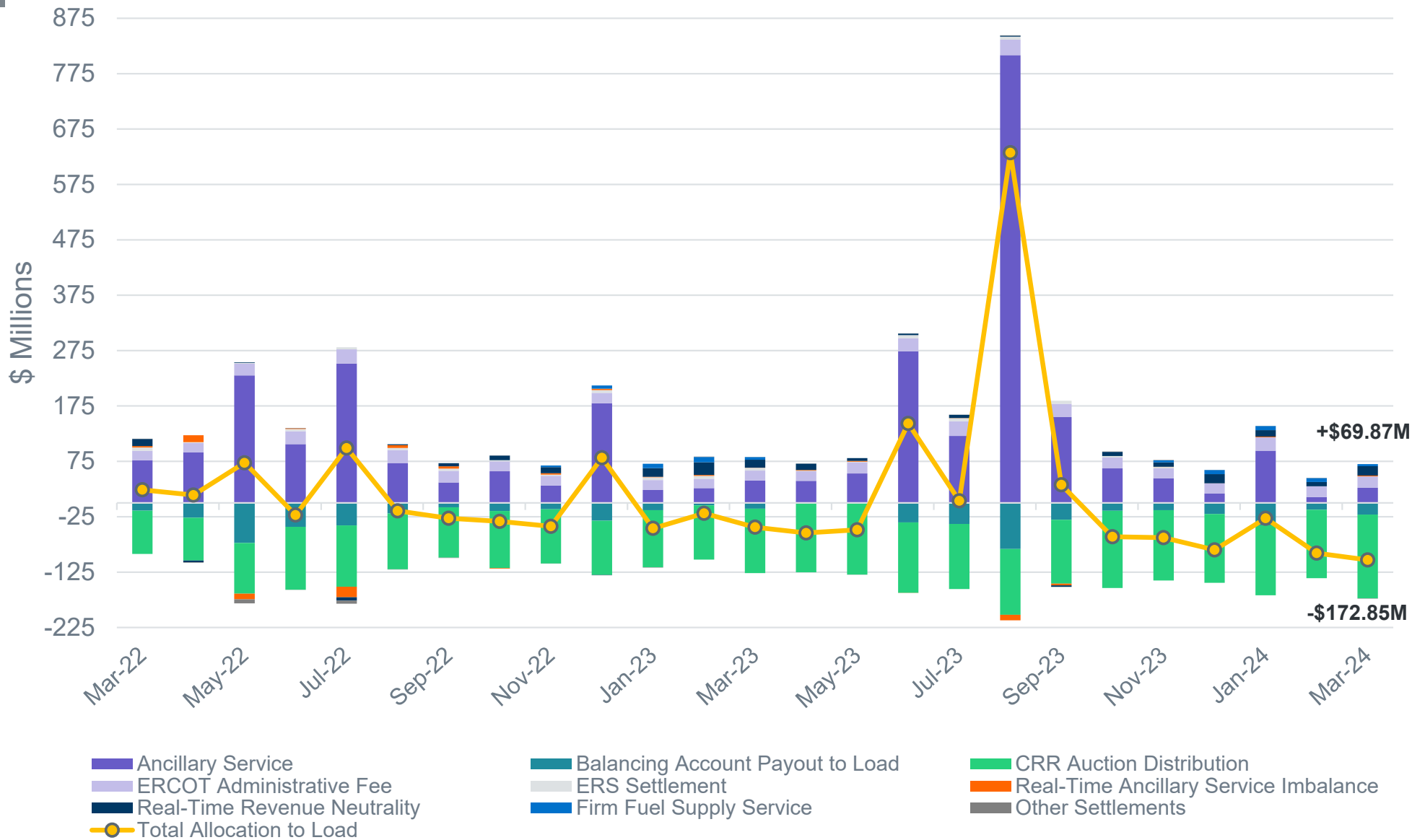


Ten Resources were Committed March for Capacity and Congestion

Resource #	Effective Resource-hours	Non-Opt Out (Effective Hours)	Opt Out (Effective Hours)
1	6.0	6.0	0.0
2	6.0	6.0	0.0
3	49.3	49.3	0.0
4	3.0	3.0	0.0
5	7.9	7.9	0.0
6	4.8	4.8	0.0
7	9.8	9.8	0.0
8	4.8	4.8	0.0
9	4.0	4.0	0.0
10	113.4	113.4	0.0
Total	209.0	209.0	0.0



Net Allocation to Load in March 2024 was (\$102.98) Million



This information is available in tabular form in the Settlement Stability Report presented quarterly to the [Wholesale Market Subcommittee](#)



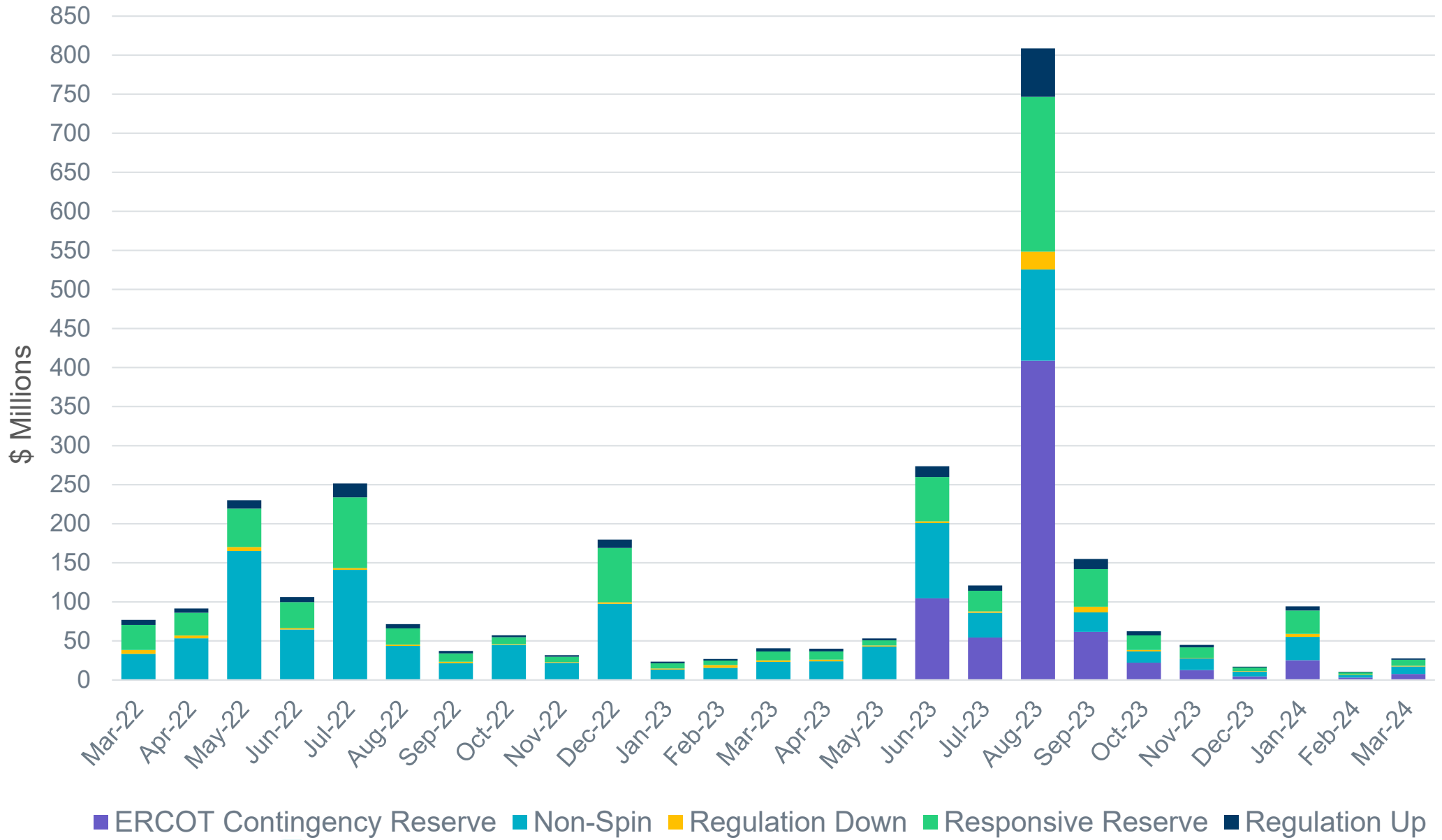
Real-Time Revenue Neutrality Allocated to Load was \$16.91M for March 2024



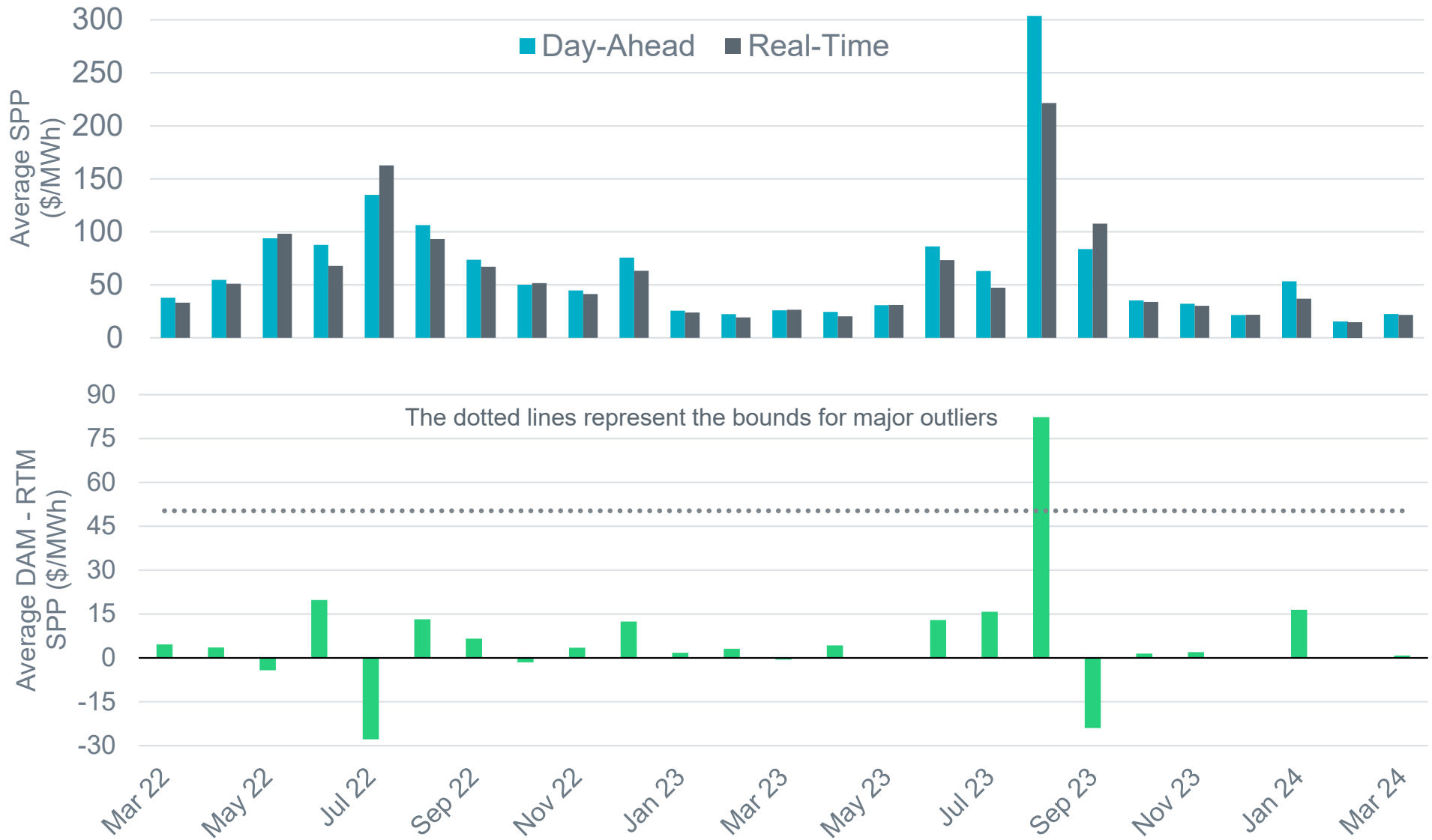
	March 2024 (\$M)
Real-Time Energy Imbalance	\$197.13
Real-Time Point-to-Point Obligation	(\$209.66)
Real-Time Congestion from Self-Schedules	(\$0.22)
DC Tie & Block Load Transfer	(\$3.83)
Real-Time Energy for SODG and SOTG	(\$0.34)
Load Allocated Revenue Neutrality	\$16.91



Ancillary Services for March 2024 totaled \$27.52M



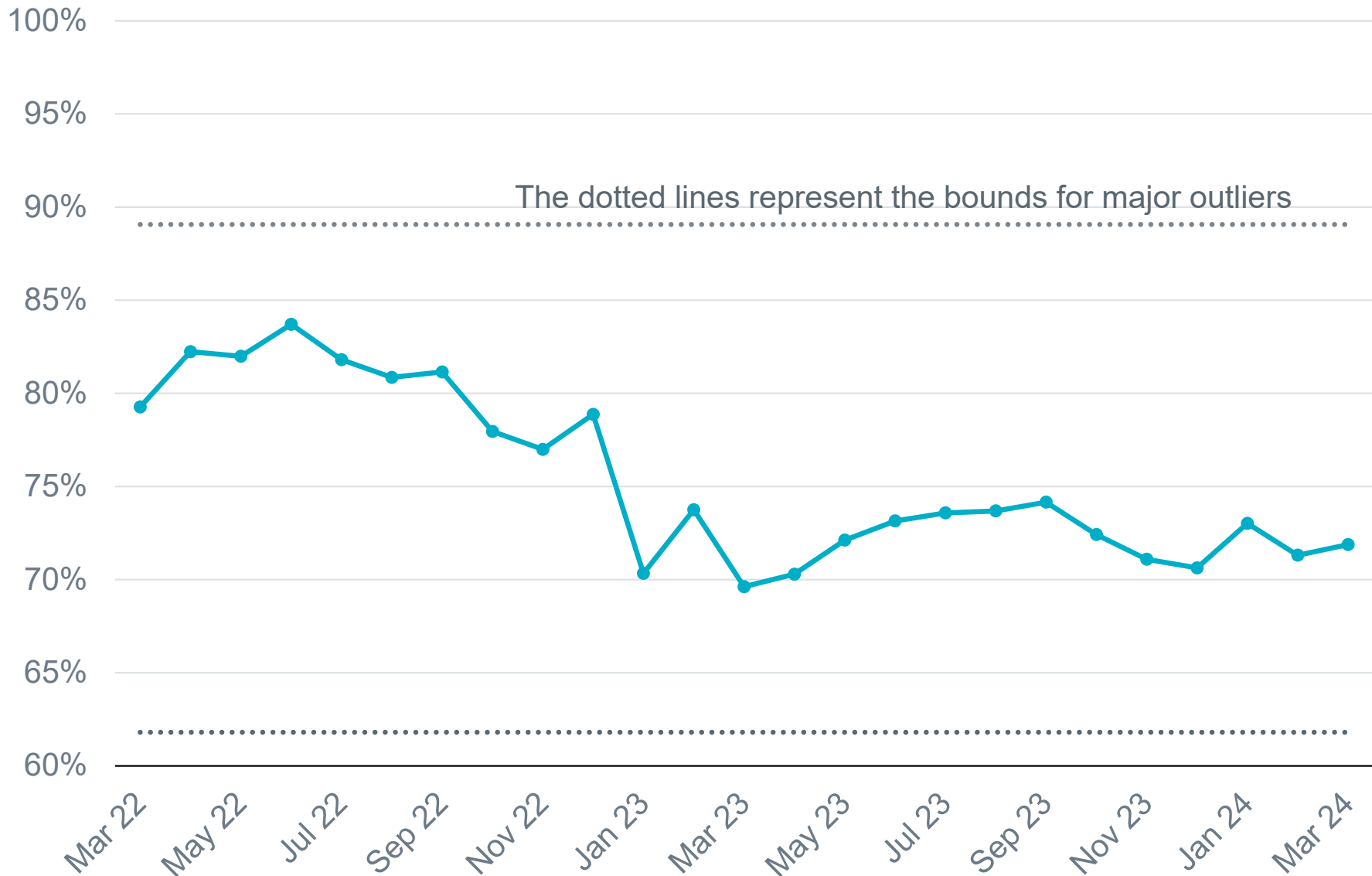
Day-Ahead and Real-Time Market Price Differences



*Averages are weighted by Real-Time Market Load



Percentage of Real-Time Load Transacted in the Day-Ahead Market



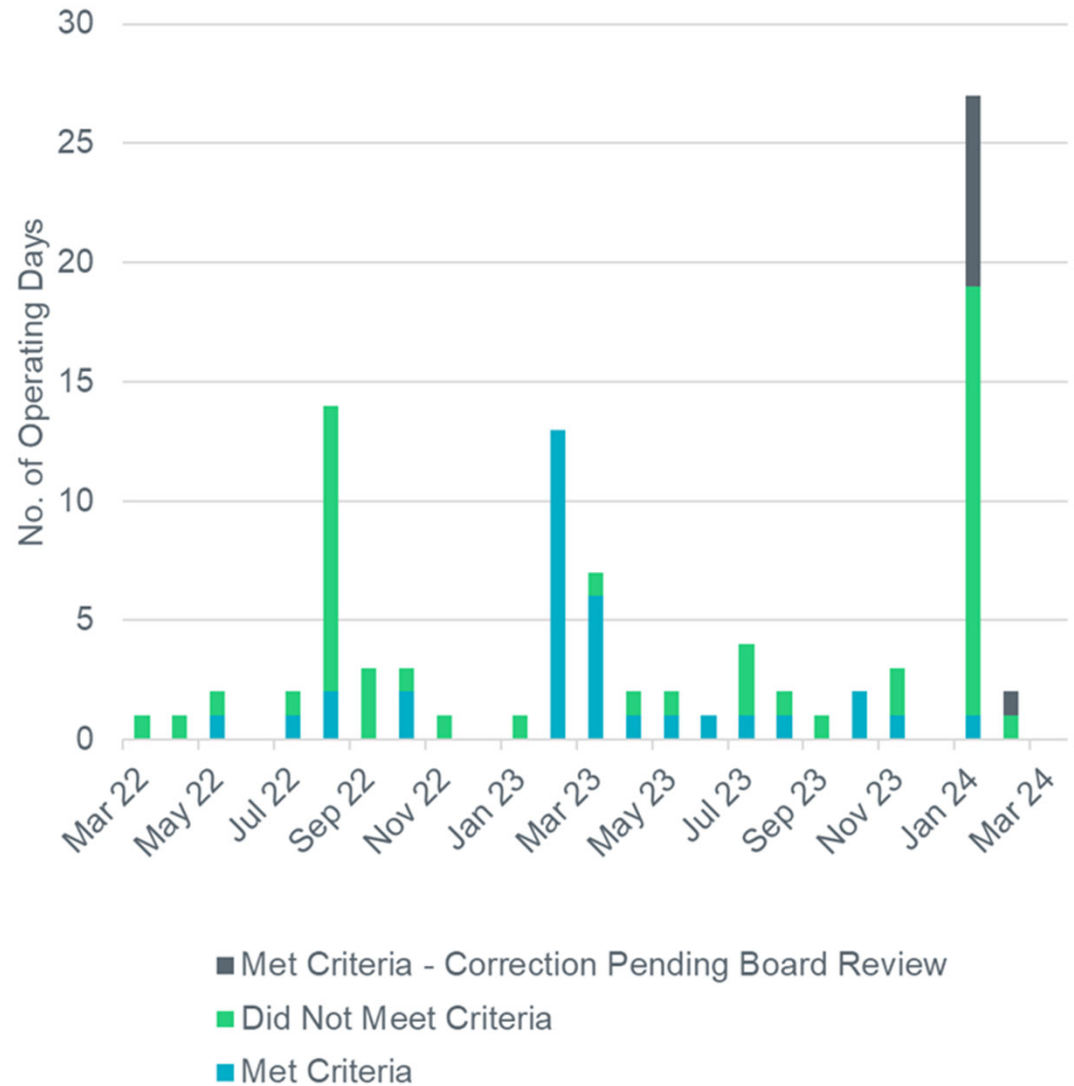
CRR Value and Cost Differences



Price Issues and the Impact of Nodal Protocol Revision Request (NPRR) 1024 on Price Corrections

This graph shows the recent history of price issues in the RTM or DAM and breaks the impacted Operating Days into three categories:

- Days that met the criteria for “significance” under NPRR1024 and were corrected;
- Days that met the criteria for “significance” under NPRR1024 and are pending Board Review; and
- Days that were not corrected because they did not meet the criteria for “significance” under NPRR1024.



Details for February Price Correction Review

On February 28, 2024, an issue occurred during routine maintenance which resulted in the Energy Management System sending incorrect constraint data for Generic Transmission Constraints to the Market Management System. Security-Constrained Economic Dispatch was impacted between 15:50 and 16:25. Given the complexity of the analysis, ERCOT was not be able to meet the deadline to correct prices before they become final at 16:00 on 3/1/24. Further analysis was performed, and it was determined that the impact to Counter-Parties met the criteria for significance. The market was notified of the impact analysis and ERCOT’s intent to pursue review by the ERCOT Board of Directors. See Market Notice [M-B031824-01](#).

ERCOT Protocols Section 6.3(7)(b) requires that the absolute value impact to any single Counter-Party meet one of the following two criteria before seeking approval from the Board.

- 2% and also greater than \$20,000; or
- 20% and also greater than \$2,000.

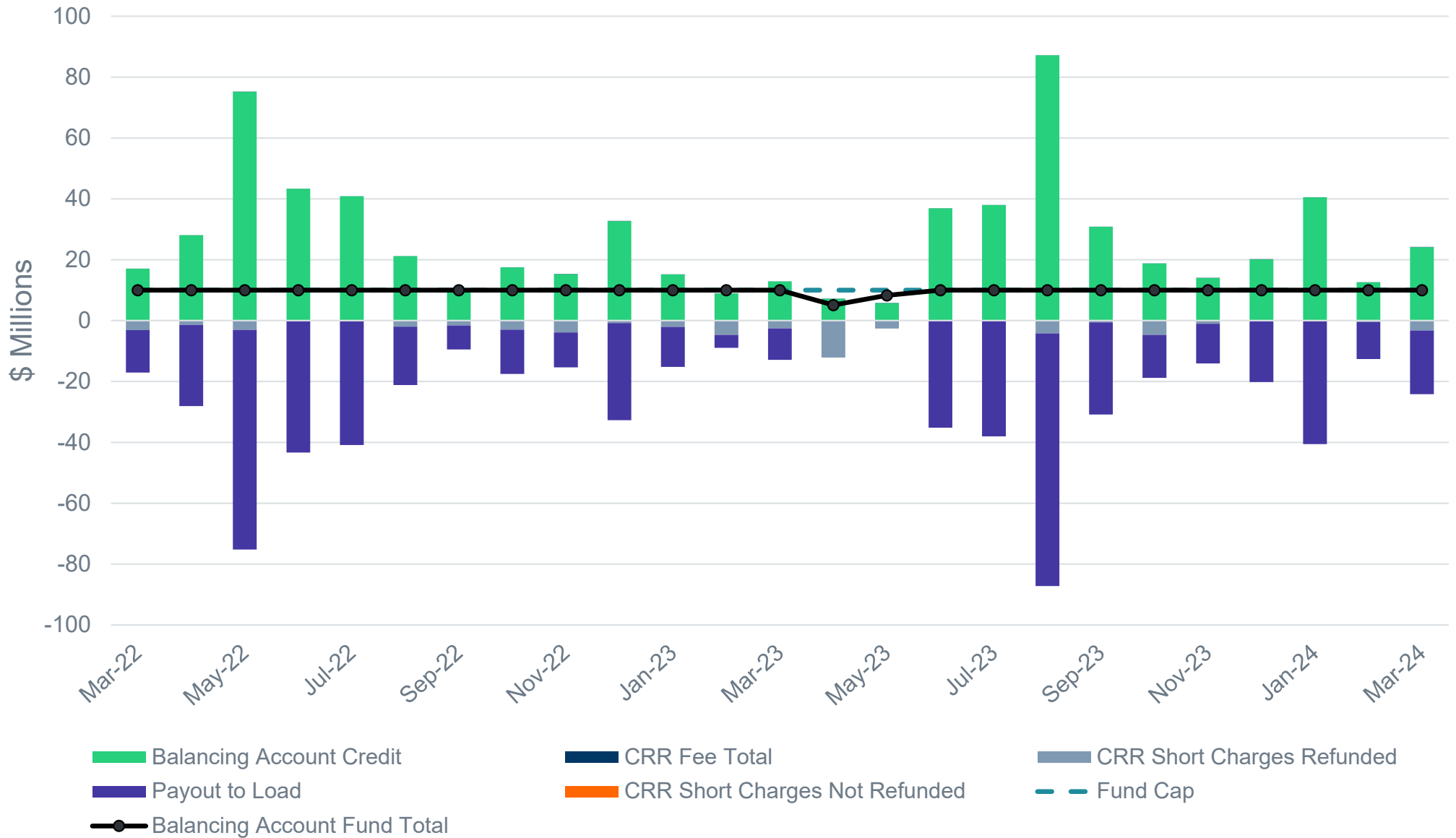
Operating Day	Counter-Parties meeting criteria in Protocol Section 6.3(7)(b)(i)	Counter-Parties meeting criteria in Protocol Section 6.3(7)(b)(ii)
2/28/2024	7	9

Note – There are additional Operating Days for January and February that are under review for price correction. This issue was noted in last month's report.

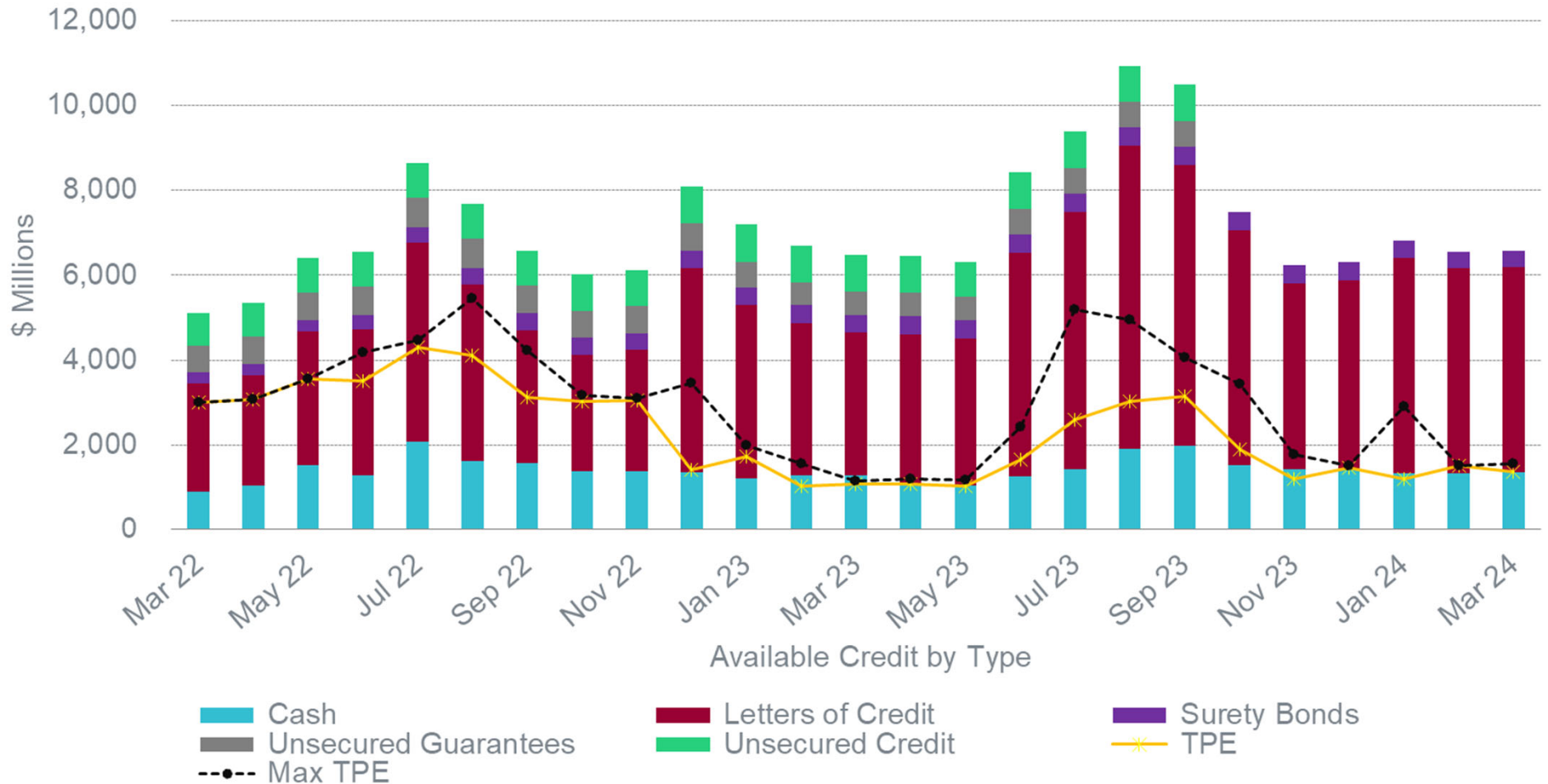
Details for March Price Corrections Review

There were no price impact events for the month of March.

The CRR Balancing Account was fully-funded and excess amounts were allocated to Load



Available Credit by Type Compared to Total Potential Exposure (TPE)



*Numbers are as of month end except for Max TPE



Retail Transaction Volumes – Summary – March 2024

Transaction Type	Year-To-Date		Transactions Received	
	March 2024	March 2023	March 2024	March 2023
Switches	305,692	303,777	115,446	96,905
Acquisitions	0	0	0	0
Move - Ins	847,626	766,421	252,603	281,040
Move - Outs	333,123	329,250	113,802	119,201
Continuous Service Agreements (CSA)	90,646	106,719	37,638	27,663
Mass Transitions	0	0	0	0
Total	1,577,087	1,506,167	519,489	524,809