



Item 12: TAC Report

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2025 Technical Advisory Committee (TAC) Chair

Board of Directors Meeting

ERCOT Public

April 7-8, 2025

Overview

- **Purpose**

Summary of February/March TAC Update

- **Voting Items / Requests**

- NPRR1190, High Dispatch Limit Override Provision for Increased Load Serving Entity Costs
- NPRR1269, RTC+B Three Parameters Policy Issues – URGENT

- **Key Takeaways**

- TAC recommended approval of 14 Revision Requests
- 2 Revision Requests had opposing votes (NPRRs 1190 and 1269)
- TAC approved 2025 Strategic Objectives

Summary of TAC Update

Revision Requests Recommended for Approval by TAC – Unopposed:

- NPRR1234, Interconnection Requirements for Large Loads and Modeling Standards for Loads 25 MW or Greater
- NPRR1241, Firm Fuel Supply Service (FFSS) Availability and Hourly Standby Fee
- NPRR1256, Settlement of MRA of ESRs
- NPRR1268, RTC – Modification of Ancillary Service Demand Curves – URGENT
- NPRR1270, Additional Revisions Required for Implementation of RTC – URGENT
- NPRR1273, Appropriate Accounting for ESRs in PRC Calculation – URGENT
- NOGRR274, Conform Nodal Operating Guide to Revisions Implemented for NPRR1217, Remove Verbal Dispatch Instruction (VDI) Requirement for Deployment and Recall of Load Resources and Emergency Response Service (ERS) Resources – URGENT
- PGRR115, Related to NPRR1234, Interconnection Requirements for Large Loads and Modeling Standards for Loads 25 MW or Greater
- PGRR119, Stability Constraint Modeling Assumptions in the Regional Transmission Plan
- SCR829, API for the NDCRC Application
- SMOGRR028, Add Series Reactor Compensation Factors
- VCMRR042, SO₂ and NO_x Emission Index Prices Used in Verifiable Cost Calculations

Summary of TAC Update

Revision Requests Recommended for Approval by TAC – Opposing Votes:

- NPRR1190, High Dispatch Limit Override Provision for Increased Load Serving Entity Costs
- NPRR1269, RTC+B Three Parameters Policy Issues – URGENT

February/March TAC Highlights

2025 TAC Strategic Objectives. On 2/27/25, TAC approved the TAC Strategic Objectives for 2025.

1. Work with ERCOT Staff to efficiently execute the Board's strategic objectives for ERCOT, and align TAC and Subcommittee Goals accordingly.
2. Develop and implement cost effective market design changes and reliability enhancements, including those that result from action by the PUCT and/or Texas Legislature.
3. Maintain rules that support ERCOT system reliability, promote cost effective market solutions, support open access to the ERCOT markets and transmission network, and are consistent with PURA, PUCT Substantive Rules, and NERC Reliability Standards.
4. Through the stakeholder process, provide technical and policy perspectives on issues pertinent to ERCOT Members.
5. Engage with the ERCOT Board to provide ERCOT Member perspectives on ERCOT-related initiatives and their impacts.

February/March TAC Highlights

At its February and March meetings, TAC has continued to discuss the following:

- Real-time Co-optimization –TAC had preparatory discussions and approved final Revision Requests needed for RTC go-live, focusing on ensuring that price outcomes under RTC are consistent with current market principles
- ERCOT Board/Stakeholder Engagement – preparing for June Board meeting to provide stakeholder perspective from three different segments regarding transmission-related issues
- Segment Membership – revisions to current Segment Membership structure to accommodate changing Market Participants
- Market Design Framework - continuing discussions with ERCOT in April on Market Design framework attributes and how to use those in decisions and discussions
- Large Load Issues – continuing to review monthly updates to Large Load Interconnection Status, revising scope of Large Flexible Load Task Force, as stakeholders turn to the operational issues of large loads
- Outage Coordination Outage Capacity Calculation and Process Update – preparing for adjusting calculation due to upcoming load forecasts

NPRR1190, High Dispatch Limit Override Provision for Increased Load Serving Entity Costs

Revision Description	This Nodal Protocol Revision Request (NPRR) adds a provision for recovery of a demonstrable financial loss arising from a manual High Dispatch Limit (HDL) override to reduce real power output, in the case when that output is intended to meet Qualified Scheduling Entity (QSE) Load obligations.
Sponsor	Austin Energy, CPS Energy, Denton Municipal Electric, Garland Power and Light, Greenville Electric Utility System (Joint Sponsors)
Reason for Revision	General system and/or process improvement(s)
Justification of Reason for Revision and Market Impacts	Section 6.6.3.6 currently allows for a QSE to file a timely dispute to recover a demonstrable financial loss stemming from a manual HDL override from the ERCOT Operator. In defining demonstrable financial losses, and in distinguishing these from opportunity costs which are not to be compensated, the current Protocol language allows for compensation for losses on Day-Ahead Market (DAM) obligations and on bilateral contracts that were affected by the HDL override. Non-Opt-In Entities (NOIEs) are bound by obligations to serve Load within their service territories, and generation supports this obligation in an arrangement akin to self-arrangement. When Security-Constrained Economic Dispatch (SCED)-dispatched generation would offset NOIE Load, and a manual HDL override reduces actual generation output, the NOIE incurs a concrete realized loss which is not an opportunity cost. The revised language would allow compensation for such a loss. The revision accounts for a compensable demonstrable financial loss when such loss is incurred by a NOIE due to ERCOT-instructed generation curtailment by an HDL override, and when revenue from that generation is regularly used to offset costs associated with serving that NOIE's Load. Section 3.8.1 describes obligations of the Master QSE of any Split Generation Resource. The revision provides that a Master QSE shall communicate manual High Dispatch Limit override instructions to all other QSEs that represent the Split Generation Resource. Such instructions shall be received by the Master QSE only, but such instructions allow for a dispute process for each QSE to recoup financial losses due to the HDL override. The revision would support all QSEs in meeting necessary timelines for the efficient application of Section 6.6.3.6.
ERCOT Impact / Effective Date	No impact / The first of the month following Public Utility Commission of Texas (PUCT) approval
ERCOT Market Impact Statement	ERCOT Staff has reviewed NPRR1190 and believes the market impact for this NPRR provides QSEs an additional opportunity to recover demonstrable financial losses stemming from an HDL override under certain conditions that previously were not allowed.
TAC Vote	On 2/27/25, TAC voted to recommend approval of NPRR1190 as recommended by TAC in the 6/24/24 TAC Report as amended by the 2/26/25 ERCOT comments. There were four opposing votes from the Consumer (Residential Consumer, OPUC, CMC Steel, Lyondell Chemical) Market Segment.

NPRR1269, RTC+B Three Parameters Policy Issues - URGENT

Revision Description	This Nodal Protocol Revision Request (NPRR) determines and codifies a group of policy changes that were deferred from the original RTC-related Protocols developed in 2020. The three policy concepts below have been developed in coordination with the Real-Time Co-optimization plus Batteries Task Force (RTCBTF): Parameters for Ancillary Service proxy offers floors; Scaling factor values for ramping; and Ancillary Service Demand Curves (ASDCs) for use in Reliability Unit Commitment (RUC) studies.
Sponsor	ERCOT
Reason for Revision	General system and/or process improvement(s)
Justification of Reason for Revision and Market Impacts	The RTCBTF has reviewed the NPRR language and there was no opposition to moving this forward into the formal stakeholder process. However, some of the details are still under review at the RTCBTF and all other stakeholder feedback is welcome. The goal for this NPRR is to be recommended for approval at the March 2025 Protocol Revision Subcommittee (PRS) meeting, March 2025 Technical Advisory Committee (TAC) meeting and April 2025 ERCOT Board of Directors (ERCOT Board) meeting; to support the May 2025 market trial activities.
ERCOT Impact / Effective Date	No impact (There are no additional impacts to this NPRR beyond what was captured in PR447, Real-Time Co-optimization.) / Upon system implementation of PR447, Real-Time Co-Optimization (RTC)
ERCOT Market Impact Statement	ERCOT Staff has reviewed NPRR1269 and believes the market impact for NPRR1269, after extensive review with stakeholders at the RTCBTF, codifies a group of policy changes that were deferred from the original RTC-related Protocols developed in 2020 ahead to provide clarity ahead of the upcoming RTC market trials.
TAC Vote	On 3/26/25, TAC voted to recommend approval of NPRR1269 as recommended by PRS in the 3/12/25 PRS Report. There were seven opposing votes from the Consumer (6) (Residential Consumer, OPUC, CMC Steel, Lyondell Chemical, City of Eastland, City of Dallas) and Independent Retail Electric Provider (IREP) (APG&E) Market Segments and one abstention from the IREP (Demand Control 2) Market Segment.