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| NPRR Number | [1285](https://www.ercot.com/mktrules/issues/NPRR1285) | NPRR Title | Improve Self-Commitment within RUC Opt Out Window |
| Date Posted | | May 14, 2025 | |
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| Requested Resolution | | Normal | |
| Nodal Protocol Sections Requiring Revision | | 2.1, Definitions | |
| Related Documents Requiring Revision/Related Revision Requests | | None | |
| Revision Description | | This Nodal Protocol Revision Request (NPRR) expands the current Reliability Unit Commitment (RUC) opt out window to incentivize self-commitment to increase capacity available to the market at lower costs and reduce RUCs and associated costs. | |
| Reason for Revision | | [Strategic Plan](https://www.ercot.com/files/docs/2023/08/25/ERCOT-Strategic-Plan-2024-2028.pdf) Objective 1 – Be an industry leader for grid reliability and resilience  [Strategic Plan](https://www.ercot.com/files/docs/2023/08/25/ERCOT-Strategic-Plan-2024-2028.pdf) Objective 2 - Enhance the ERCOT region’s economic competitiveness with respect to trends in wholesale power rates and retail electricity prices to consumers  [Strategic Plan](https://www.ercot.com/files/docs/2023/08/25/ERCOT-Strategic-Plan-2024-2028.pdf) Objective 3 - Advance ERCOT, Inc. as an independent leading industry expert and an employer of choice by fostering innovation, investing in our people, and emphasizing the importance of our mission  General system and/or process improvement(s)  Regulatory requirements  ERCOT Board/PUCT Directive  *(please select ONLY ONE – if more than one apply, please select the ONE that is most relevant)* | |
| Justification of Reason for Revision and Market Impacts | | The current RUC opt out window, as defined by the Opt Out Snapshot as proposed in NPRR1092, Reduce RUC Offer Floor and Limit RUC Opt-Out Provision, was approved with the intent for a Resource to make self-commitment decision sooner and still allow those that receive a sufficiently early RUC to opt out of RUC Settlement. However, the Monthly Review of RUC Market Impacts reports published by ERCOT show that opt out counts were either zero or just a handful in each month.  The issue is the current RUC opt out window does not consider the fact that a Generation Resource requires time to make economic self-commitment decisions in the current dynamic market. The net Load in the system can change drastically as the penetration rate of renewable energy in electricity production continues to increase. That, combined with dynamic gas costs and contractual transport costs such as imbalance penalties, adds uncertainty to market price forecast and production cost forecast. A Generation Resource benefits from the additional clarity as it gets closer to Real-Time to make a self-commitment decision.  In addition, ERCOT operators have historically waited until the startup deadline to issue the first RUC instruction. While we appreciate ERCOT operators taking their time to make the best decision for the market and system reliability, it does not give Generation Resources an opportunity to meet the requirement of the current RUC Opt Out Snapshot to opt out the RUC Settlement as shown in the Monthly RUC Report.  The deadline for RUC opt out should be aligned with the timing for a Generation Resource to self-commit. This ensures ERCOT’s market process accurately reflects actual market activities. More importantly, to allow a Generation Resource opt out a RUC instruction frees up the whole capacity High Sustained Limit (HSL) for Security-Constrained Economic Dispatch (SCED) to deploy at lower production costs instead of Low Sustained Limit (LSL) at the RUC offer floor price of $250/MWh and reduces the pricing impact due to Reliability Deployment Price Adder (RDPA) adjustments.  As such, this NPRR proposes that the current RUC opt out window be expanded to incentivize self-commitment to increase capacity available to the market at lower costs and reduce RUCs and associated costs. More specifically, it proposes to remove the extra two hours of requirement in the definition which is counterproductive in today’s market. | |

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| Market Segment | Not applicable |

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| Proposed Protocol Language Revision |

## 2.1 DEFINITIONS

Opt Out Snapshot

A record of a Resource’s Current Operating Plan (COP) used to determine whether the Resource will opt out of Reliability Unit Commitment (RUC) Settlement for a block of RUC-Committed Hours. The Opt Out Snapshot is taken at the earlier of:

(a) The end of the Adjustment Period for the first hour of a contiguous block of RUC-Committed Hours; or

(b) The beginning of the hour that is at least N hours prior to the first hour of the contiguous block of the RUC-Committed hours, where N is the start time contained in the ERCOT computer system at the time of the RUC execution associated with the RUC instruction corresponding to the Resource’s warmth state. If the RUC-Committed Hours are an extension of a Qualified Scheduling Entity (QSE)-Committed Interval either before or after, N will be set to zero. For a Combined Cycle Generation Resource within a Combined Cycle Train, including a RUC to a different configuration with additional capacity, the start time is the start time corresponding to the specific configuration of the RUC-committed Combined Cycle Generation Resource.