



PUBLIC

## Item 5: High-Impact Policy Discussions in the Stakeholder Process

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Board of Directors  
September 22-23, 2025

- **Purpose**  
Provide an update on key policy issues currently in the stakeholder process
- **For Information Only**  
No action is requested; for discussion only

### Key Takeaways

- ERCOT and Stakeholders have started discussions regarding the prioritization of initiatives following RTC+B go-live in December.
- There is a need to prioritize the key initiatives, including non-discretionary regulatory requirements, with new inflows and the revision request backlog.
- ERCOT continues to work on highlighting key revision requests to the Board earlier and provide visibility on the evolution of issues through the stakeholder process.

# Real-Time Co-Optimization + Batteries (RTC+B)

- **Final RTC+B Revisions Prior to Implementation** (*at Board for consideration in September*)
  - [NPRR1290](#), Gap Resolutions and Clarifications for the Implementation of RTC+B
    - › Addresses several gaps and provides necessary clarifications in the Protocol language.
    - › Introduces mitigation solution for limited scenario where Resources may be harmed by System Lambda capping process. Capping process originally considered under RTC Key Principles. It may be reasonable in the longer-term to consider alternative mitigation measures that have further reaching policy considerations.
    - › Final TAC recommended language includes a Phase 1 with an interim mitigation solution and Phase II to be prioritized after go-live that would better reflect price signals and eliminate the need to compensate Qualified Scheduling Entities (QSEs) due to System Lambda capping.
  - [NOGRR278](#), Related to NPRR1290, Gap Resolutions and Clarifications for the Implementation of RTC+B
  - [VCMRR044](#), Related to NPRR1290, RTC+B – Mitigated Offer Cap for Hydro Generation Resources
- **Post- RTC+B Implementation Prioritization**
  - The size and scope of the RTC+B project has limited ERCOT staff's ability to move both existing and new initiatives through the stakeholder process.
  - ERCOT is working with stakeholder to prioritize revision requests into tiers including Critical (Legislative, PUC, or Board priority), High (first in queue post RTC+B), Medium (fit in without impacting higher priority projects), No Action, and Candidate for Removal

## • Key Takeaway

- *Final Revision Requests related to RTC+B implementation are at the Board in September. Market Trials and testing have started and the project is on-track for the December 5, 2025 go-live.*



# Dispatchable Reliability Reserve Service (DRRS)

Required by PURA § 39.159(d) as adopted by H.B. 1500 (88<sup>th</sup> Leg.)

## NPRR1235, Dispatchable Reliability Reserve Service as a Stand-Alone Ancillary Service

- Primary vehicle for specifying how DRRS attributes and other design elements will be incorporated into the Protocols. Conceptually treats DRRS as an Ancillary Service.
- **Posted May 29, 2024**
- **Current Status: tabled at PRS**
  - › On June 13, 2024, PRS voted unanimously to table NPRR1235 and refer the issue to ROS and WMS
  - › On August 1, 2024, ROS voted to endorse NPRR1235 as submitted (7 abstentions)
  - › ERCOT has posted a [DRRS Workshop V](#) for June 26, 2025. The workshop will build on previous discussions around statutory requirements, real-time pricing, and procurement of DRRS with a focus on evaluating potential design options and communicating the next steps in stakeholder engagement.
  - › The intent is to host a series of workshops to refine design concepts and bring NPRR language back to the stakeholder process before the end of the year.
- In December 2024, the PUC provided additional guidance regarding DRRS as part of the Ancillary Services Study (P-55845).
  - ERCOT should design DRRS to ensure that it meets its primary role as an Ancillary Service to mitigate operational risks in real-time and reduce the use of Reliability Unit Commitment (RUC). ERCOT should also design flexibility into the mechanism for procuring DRRS as a potential resource adequacy tool.

### • Key Takeaway

- *ERCOT expects to withdraw NPRR1235 and submit a revised NPRR in Q4 2025*



# Large Load Issues

## Senate Bill (SB) 6

- ERCOT is evaluating and prioritizing the implementation of SB 6 Large Load related provisions through participation in PUC rulemaking projects and development of ERCOT action items.
  - **Review of Net-Metering Arrangements (PURA 39.169)**
    - Goal is to leverage existing ERCOT processes and timelines in the new interim process. ERCOT will work to ensure timeline efficiencies when possible.
    - ERCOT issued a [Market Notice](#) including list of each Resource determined to be a stand-alone Generation Resource as of September 1, 2025 and the “Notice of Proposed Net Metering Arrangement” form for parties seeking to co-locate and initiate an ERCOT system impact study.
  - **Large Load Forecasting Criteria and Interconnection Standards (PURA 37.0561)**
    - PUC will establish criteria for Transmission Service Providers (TSPs) to include Large Loads in data provided to ERCOT for purposes of developing load forecasts.
    - ERCOT must develop the necessary Protocols to ensure the 2026 Regional Transmission Plan (RTP) complies.

**Large Load Working Group (LLWG)** kicked off in May and has meetings scheduled through the end of the year.

- **Emerging Issue: *Large Electronic Load (LEL) Voltage Ride-Through***
  - ERCOT is seeking information regarding LEL ride-through capabilities through a Request for Information (RFIs) to the TSPs and the Large Load Interconnection Study (LLIS) process to inform models and identify potential mitigation options. ERCOT has started to receive responses and evaluate RFI responses.
  - ERCOT presented a draft voltage ride-through standard at the July LLWG and has solicited feedback from stakeholders. Revision request expected in Q4 2025.
  - ERCOT is conducting the following studies related to VRT:
    - Large Load VRT System Operating Limit (SOL) Study
    - Large Load Frequency Limit Study
    - Benefit of Transmission Improvements Study
    - Large Load VRT Proposal Study



# Renewable Energy Credit (REC) Program

PURA § 39.9113 as adopted by H.B. 1500 (88<sup>th</sup> Leg.) requires ERCOT to maintain an accreditation and banking system to award and track RECs on a voluntary basis.

- ERCOT sponsored [NPRR 1218](#) to codify the regulatory changes.
- Trading program requirements established in [16 TAC § 25.173](#), *Renewable Energy Credit Program*. The rule provides ERCOT the option to assign additional attributes to RECs, but the PUC determined that creating new types of credits, or authorizing ERCOT to do so, was beyond the scope of the rulemaking proceeding.

## [NPRR1264](#), **Creation of a New Energy Attribute Certificate Program**

- Introduces the concept of Energy Attribute Certificates (EACs) that could be earned by any generator, regardless of fuel type, and makes RECs a subcategory of EACs.
- Creates a certification program that would allow Resources to use a third-party to provide documentation to ERCOT regarding how they met certain operational characteristics.
- Adds a programmatic interface to EAC trading and accounting and allows ERCOT to contract a third-party administrator for the program.
- In March 2025, ERCOT requested comments from interested parties on certain policy questions to better understand the business justification. In June 2025, TEBA presented an overview of the EAC concept and options for moving forward.
  - › *Posted: December 19, 2024 (Texas Energy Buyers Alliance (TEBA)/Goff Policy)*
  - › *Current Status: tabled at PRS, WMS voted to endorse*
- Following the presentation by NPRR1264's sponsors at the June Board, additional [comments](#) were filed seeking to modify the initial design suggested by TEBA with a proposal in-line with the streamlined option that would require ERCOT to provide metering data to a single third-party provider of EAC services that could meet the suggested qualifications.
- ERCOT has requested additional time to understand the potential relationship with an EAC administrator.

### • **Key Takeaway**

- Additional time is needed to assess the feasibility, estimated costs and required Protocol language for the alternative third-party option.
- ERCOT expects to propose additional feedback as either comments to NPRR1264 or a new NPRR and be ready to proceed with an Impact Analysis.



# Residential Demand Response (RDR)

Developing a Residential DR Program is a key ERCOT corporate priority for 2025 in line with Enterprise Objectives and Key Results (OKR) Objective 2.

- RDR represents a source of capacity that is not fully enabled today. There is an opportunity for ERCOT to collaborate with stakeholders to develop a program that can incent and grow RDR capacity as an additional resource that can help support system reliability.
- RDR development and future market design evaluation is not an ‘either-or’ proposition, the significant future growth forecasted for the Region warrants considering an ‘all of the above’ approach to meet ERCOT’s reliability mandate.

## NPRR1296, Residential Demand Response Program

- Would establish a program to enable residential Customers with smart responsive appliances or devices to reduce the system Load during peak Net Load hours in exchange for an incentive payment.
- The RDR Program would offer an incentive payment for Retail Electric Providers (REPs) and Non-Opt-in Entities (NOIEs) (via their QSEs) to develop programs to incent RDR with a focus on high seasonal net load hours.
- **Posted August 26, 2025**
- **Current Status: tabled at PRS**
  - › ERCOT hosted Residential DR workshops in [May](#) and [June](#) 2025 to provide a conceptual overview, discuss high-level design for the program, and start to refine the proposal based on stakeholder feedback prior to moving forward with the NPRR.

### Key Takeaway

- *ERCOT expects continued robust stakeholder discussion on NPRR1296 once it is referred by PRS to subcommittees for further consideration*



# Planning Criteria

## **NPRR1286, Establish Multi-Value Criteria for Resiliency-Related Transmission Project Evaluation**

- Seeks to establish new multi-value planning criteria to address the process for determining whether ERCOT will endorse a reliability or economic project that addresses a resiliency issue., in accordance with [16 TAC § 25.101](#).
- *Posted May 21, 2025*
- *Current Status: tabled at PRS, referred to ROS*

## **PGRR127, Addition of Proposed Generation to the Planning Models**

- Outlines the additional generators that may be included in planning models to address the generation shortfall introduced by the implementation of House Bill (HB) 5066 (88R) and unprecedented load growth in Texas.
- In order to plan the ERCOT Transmission Grid to interconnect the forecasted load, the planning models need to have sufficient generation for the cases to solve.
- *Posted May 30, 2025*
- *Current Status: tabled at ROS, referred to PLWG*





# Congestion Revenue Rights (CRRs)

## Efficiencies

### [NPRR1288](#), Remove Multiple Month Transactions in CRR Auctions

- Seeks to remove the ability to transact in multiple month strips that can increase solve times and create optimization issues for ERCOT. This NPRR would simplify the CRR auction allow greater overall participation.
- *Posted May 27, 2025 (ERCOT)*
- *Current Status: At Board for consideration in September*

### [NPRR1289](#), Option Price Report and Establish 1 MW Bid Minimum

- Would create an option pricing report with shadow prices for all biddable source-sink paths to be posted on the ERCOT website following each CRR auction. Additionally, this NPRR would establish a minimum CRR bid quantity of 1.0 MW. Currently, the CRR application accepts bid quantities as small as 0.1 MW.
- *Posted May 27, 2025 (ERCOT)*
- *Current Status: At Board for consideration in September*

## Other Design Considerations

### [NPRR1292](#), Granular Product Type for CRR TOU

- Would create granular CRR Time of Use (TOU) blocks to align with the current resources mix and allow parties to further shape hedges. Blocks would divide weekday/weekend peak between solar and non-solar hours.
- *Posted July 22, 2025 (Vistra)*
- *Current Status: tabled at PRS, referred to WMS*

### [NPRR1297](#), Limit the Price-Quantity Pair in CRR Auctions for Each Path

- Seeks to introduce a limit of two price-quantity pairs per firm for each unique combination of source, sink, TOU, and period during CRR auctions where a source-sink pair is uniquely defined based on Electrically Similar Settlement Points ("ESSPs").
- *Posted August 26, 2025 (SC Energy Partners, LLC)*
- *Current Status: At PRS in September*



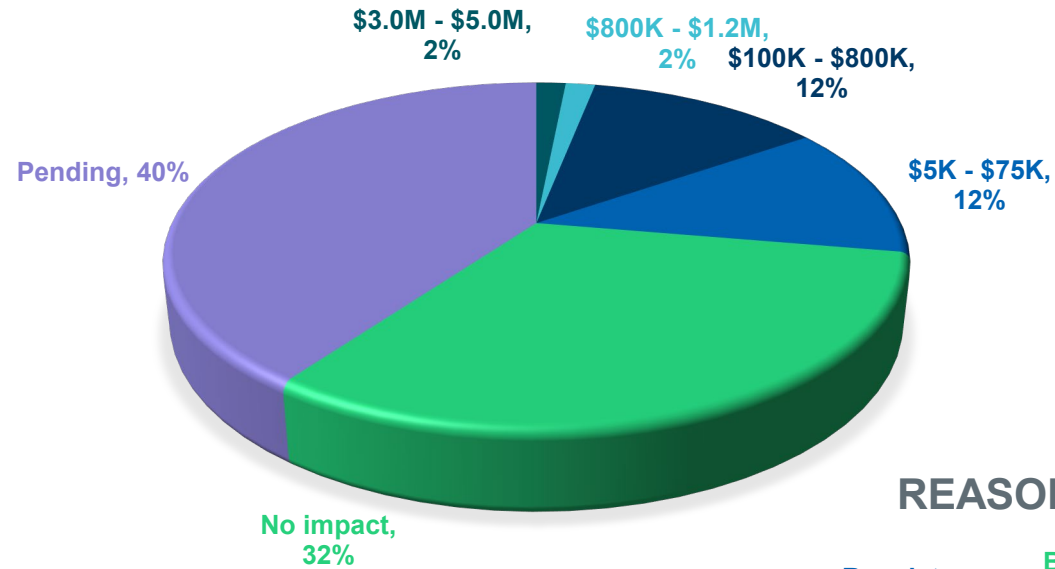


# Appendix

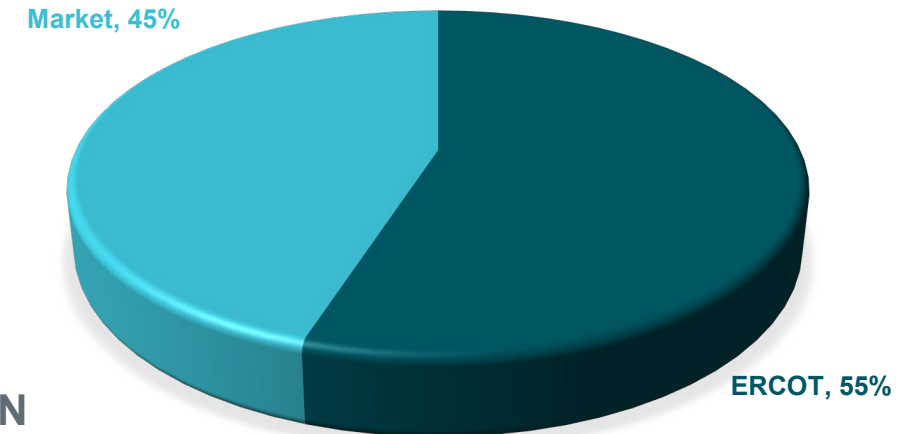


# 65 Revision Requests in Process

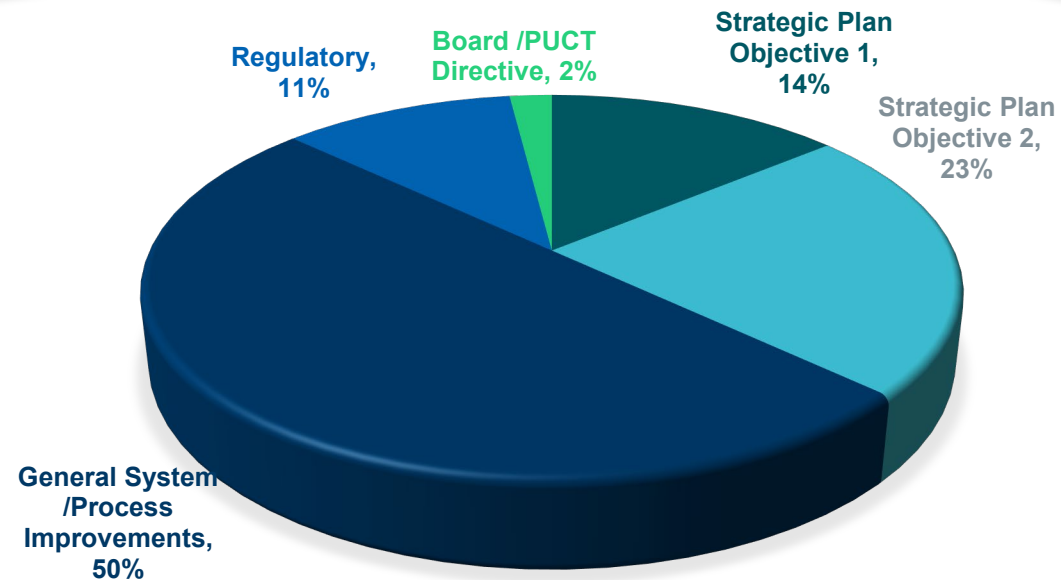
## BUDGETARY IMPACT



## SPONSORSHIP

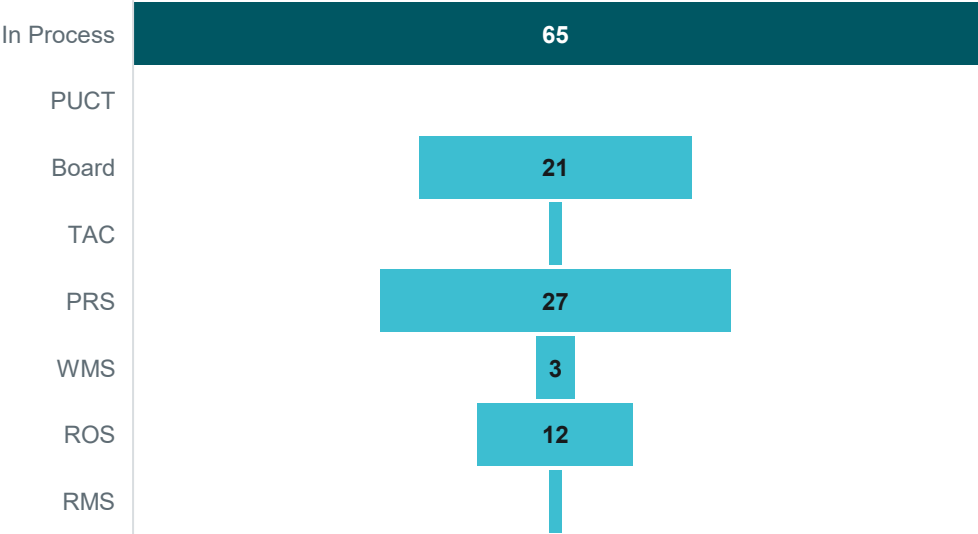


## REASON FOR REVISION

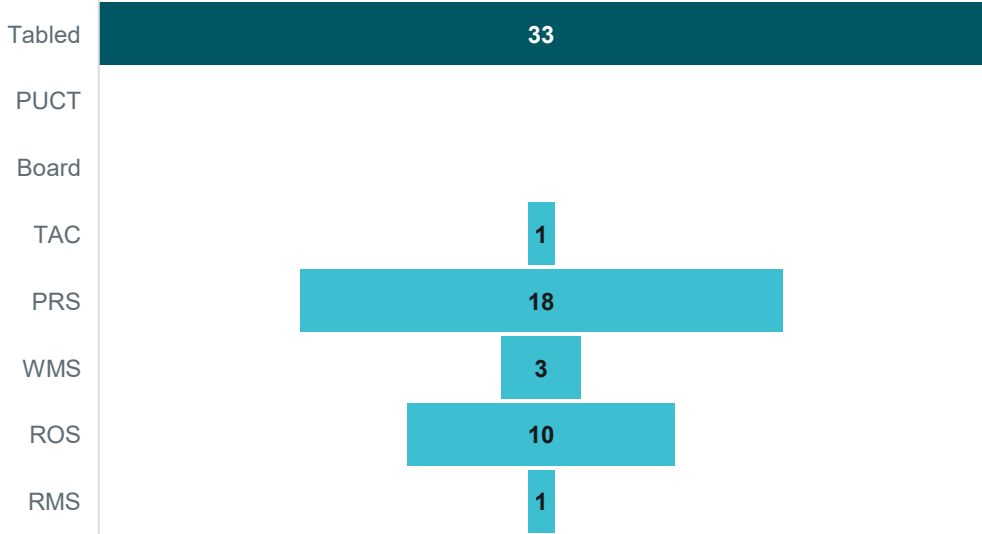


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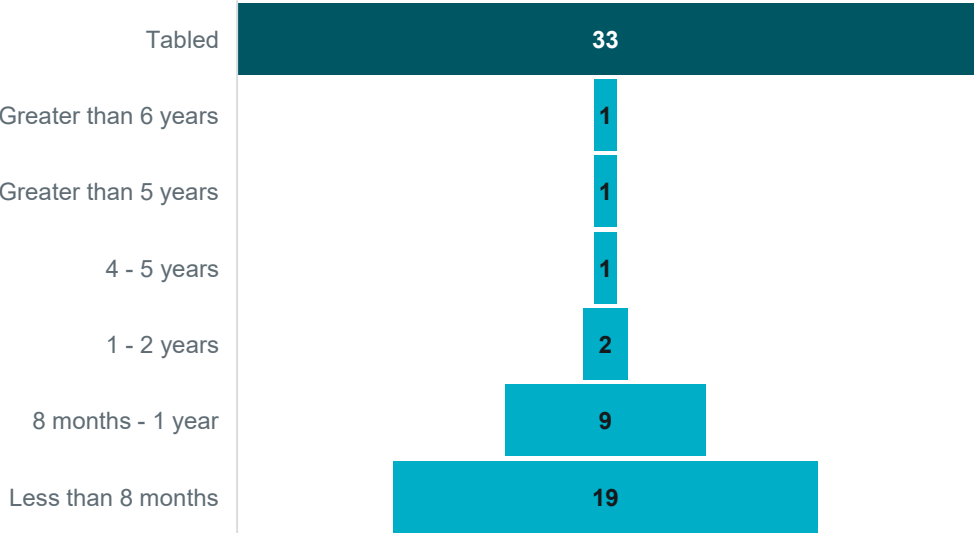
LOCATION OF REVISION REQUESTS



LOCATION OF TABLED REVISION REQUESTS



LENGTH TABLED



# Aging Revision Requests

Revision Request	Length Tabled	Notes
<b>NPRR956, Designation of Providers of Transmission Additions. [ERCOT]</b>	Greater than 6 years (7/7/19)	Tabled at PRS. Entities filed suit in the U.S. District Court for the Western District of Texas to challenge the validity of Senate Bill 1938. Recently, the District has issued a verdict against SB 1938 -a decision that is likely to be appealed. ERCOT will continue to comply with SB 1938 unless and until a final judicial determination requires otherwise.
<b>PGRR073, Related to NPRR956, Designation of Providers of Transmission Additions. [ERCOT]</b>	Greater than 5 years (8/8/19)	Tabled at ROS. See NPRR956
<b>NPRR1070, Planning Criteria for GTC Exit Solutions. [EDF Renewables / Pattern Energy]</b>	4 - 5 years (4/15/21)	Tabled at PRS. ERCOT requested NPRR be tabled until resolution of related PUCT Rulemaking (see 10/22/21 ERCOT comments). Referred to OWG, PLWG, WMWG for further discussion. Awaiting comments from the sponsor to update the proposal for continued stakeholder discussion.
<b>SCR826, ERCOT.com Enhancements [Residential Consumer]</b>	1 – 2 years (7/25/23)	Tabled at PRS. ERCOT presented at the December PRS an online “request form” under construction for 2025 to facilitate these sorts of dashboard/website requests
<b>NPRR1235, Dispatchable Reliability Reserve Service as a Stand-Alone Ancillary Service [ERCOT]</b>	1 - 2 years (6/13/24)	Tabled at PRS. Tabled at PRS. Referred to WMS. Multiple workshops held this year to discuss design options for this service. ERCOT expects to file a replacement NPRR to address DRRS and will withdraw NPRR1235 once the new NPRR is filed.
<b>NOGRR264, Related to NPRR1235, Dispatchable Reliability Reserve Service as a Stand-Alone Ancillary Service [ERCOT]</b>	8 months – 1 year (9/19/24)	Tabled at TAC. See NPRR1235.
<b>NPRR1255, Introduction of Mitigation of ESRs [ERCOT]</b>	8 months – 1 year (10/17/24)	Tabled at PRS. ERCOT filed comments in April 2025 modifying the original proposal based on discussions with stakeholders. PRS then referred the issue to WMS for continued review of this modified proposal. Referred to CMWG for further review.
<b>PGRR122, Reliability Performance Criteria for Loss of Load [ERCOT]</b>	8 months – 1 year (12/5/24)	Tabled at ROS. ROS referred to DWG and PLWG, but the Large Load Working Group (LLWG) is also discussing. ERCOT is currently conducting additional analysis for discussions at these groups.
<b>NPRR1263, Remove Accuracy Testing Requirements for CCVTs [WETT]</b>	8 months – 1 year (1/15/25)	Tabled at PRS. Referred to WMS. WMS assigned this to MWG, who reached consensus at their August meeting. Expect a vote on this NPRR at the September WMS.
<b>NPRR1264, Creation of a New Energy Attribute Certificate Program [TEBA]</b>	8 months – 1 year (1/15/25)	Tabled at PRS. ERCOT is working on an alternative EAC Program proposal.

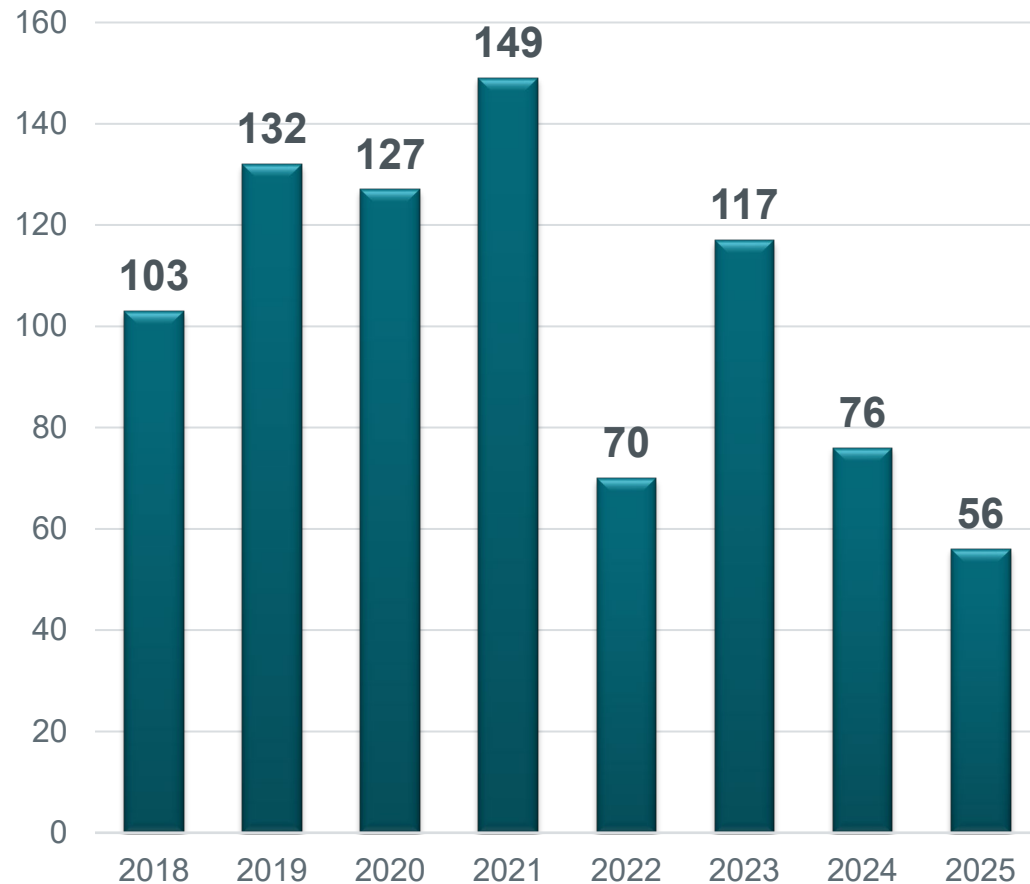


# Aging Revision Requests

Revision Request	Length Tabled	Notes
RMGRR182, Related to NPRR1264, Creation of a New Energy Attribute Certificate Program [TEBA]	8 months – 1 year (1/7/25)	Tabled at RMS. See NPRR1264.
NOGRR273, Related to NPRR1264, Creation of a New Energy Attribute Certificate Program [TEBA]	8 months – 1 year (1/9/25)	Tabled at ROS. See NPRR1264.
PGRR123, Related to NPRR1264, Creation of a New Energy Attribute Certificate Program [TEBA]	8 months – 1 year (1/9/25)	Tabled at ROS. See NPRR1264.
RRGRR038, Related to NPRR1264, Creation of a New Energy Attribute Certificate Program [TEBA]	8 months – 1 year (1/9/25)	Tabled at ROS. See NPRR1264.



# Statistics – New Revision Requests Submitted



## New Revision Requests submitted since June Board:

- [PGRR128](#), Regional Transmission Plan Review of Grid Enhancing Technologies
- [SCR832](#), Discontinue Report that makes COPs available to TSPs
- [PGRR129](#), Establish Grid Reliability and Resiliency Assessment (GRRRA) Posting Requirements
- [NOGRR278](#), Related to NPRR1290, Gap Resolutions and Clarifications for the Implementation of RTC+B
- [SCR833](#), Increase CRR Transaction Capability
- NPRR1292, Granular Product Type for CRR TOU
- [NOGRR279](#), Deadline Extensions for Recording Equipment Installation
- [NPRR1293](#), Clarifications to the Modeling Timelines
- [NPRR1294](#), Move OBD to Section 22 – Demand Response Data Definitions and Technical Specifications
- [NPRR1295](#), GTC Exit Solutions
- [PGRR130](#), Related to NPRR1295, GTC Exit Solutions
- [NPRR1296](#), Residential Demand Response Program
- [PGRR131](#), Requirements for Interconnection Cost Reporting for Transmission-Connected Generators
- [NPRR1297](#), Limit the Price-Quantity Pair in CRR Auctions for Each Path
- [NPRR1298](#), Timing Requirements for Comments to Subcommittee Reports
- [NPRR1299](#), Clarifications to Emergency Response Service (ERS)



# Acronyms

Acronym	Term
CMWG	Congestion Management Working Group
COP	Current Operating Plan
CRR	Congestion Revenue Right
DRRS	Dispatchable Reliability Reserve Service
DWG	Dynamics Working Group
EAC	Energy Attribute Credit
ERS	Emergency Response Service
ESR	Energy Storage Resource
ESSP	Electrically Similar Settlement Points
GRRRA	Grid Reliability and Resiliency Assessment
GTC	Generic Transmission Constraint
LEL	Large Electronic Load
LLIS	Large Load Interconnection Study
LLWG	Large Load Working Group
NOIE	Non-Opt-In Entity
NOGRR	Nodal Operating Guide Revision Request
NPRR	Nodal Protocol Revision Request
OBD	Other Binding Document
OKR	Objectives and Key Results
OWG	Operations Working Group





# Acronyms

Acronym	Term
PGRR	Planning Guide Revision Request
PLWG	Planning Working Group
PRS	Protocol Revision Subcommittee
QSE	Qualified Scheduling Entity
RDR	Residential Demand Response
REC	Renewable Energy Credit
REP	Retail Electric Provider
RFI	Request for Information
RMGRR	Retail Market Guide Revision Request
ROS	Reliability and Operations Working Group
RRGRR	Resource Registration Glossary Revision Request
RTC+B	Real-Time Co-optimization plus Batteries
RTP	Regional Transmission Plan
SCR	System Change Request
TAC	Technical Advisory Committee
TOU	Time of Use
TSP	Transmission Service Provider
VCMRR	Verifiable Cost Manual Revision Request
VRT	Voltage Ride-Through
WMS	Wholesale Market Subcommittee
WMWG	Wholesale Market Working Group

