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| NPRR Number | [1288](https://www.ercot.com/mktrules/issues/NPRR1288) | NPRR Title | Remove Multiple Month Transactions in CRR Auctions |
| Date of Decision | | September 22, 2025 | |
| Action | | Recommended Approval | |
| Timeline | | Normal | |
| Estimated Impacts | | Cost/Budgetary: Between $400K and $700K  Project Duration: 9 to 12 months | |
| Proposed Effective Date | | Upon system implementation | |
| Priority and Rank Assigned | | Priority – 2026; Rank – 4790 | |
| Nodal Protocol Sections Requiring Revision | | 7.5.1 Nature and Timing  7.5.2.1 CRR Auction Offer Criteria  7.5.2.3 CRR Auction Bid Criteria | |
| Related Documents Requiring Revision/Related Revision Requests | | None | |
| Revision Description | | This Nodal Protocol Revision Request (NPRR) removes the ability to transact in multiple month strips that create optimization issues for ERCOT. This NPRR simplifies the CRR auction and avoids other limitations on participation. | |
| 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 | | Although ERCOT has offered the ability to transact in multiple month strips since Nodal Market go-live, this functionality can substantially increase solve times for ERCOT. By removing this functionality, there can be greater overall participation in the CRR Auction, and Market Participants can still transact for any given month in an auction. | |
| PRS Decision | | On 6/11/25, PRS voted unanimously to recommend approval of NPRR1288 as submitted. All Market Segments participated in the vote.  On 7/16/25, PRS voted unanimously to endorse and forward to TAC the 6/11/25 PRS Report and 5/27/25 Impact Analysis for NPRR1288 with a recommended priority of 2026 and rank of 4790. All Market Segments participated in the vote. | |
| Summary of PRS Discussion | | On 6/11/25, the sponsor provided an overview of NPRR1288. Participants noted that NPRR1288 was thoroughly vetted by the Congestion Management Working Group (CMWG).  On 7/16/25, participants reviewed the 5/27/25 Impact Analysis. | |
| TAC Decision | | On 7/30/25, TAC voted unanimously to recommend approval of NPRR1288 as recommended by PRS in the 7/16/25 PRS Report. All Market Segments participated in the vote. | |
| Summary of TAC Discussion | | On 7/30/25, TAC reviewed the items below. Some participants expressed concern that the removal of multi-month strips would trigger an increased volume of transactions overall and counter some of the intended benefits of NPRR1288 and encouraged continued collaboration between ERCOT and stakeholders for longer-term improvements to the CRR process. | |
| TAC Review/Justification of Recommendation | | Revision Request ties to Reason for Revision as explained in Justification  Impact Analysis reviewed and impacts are justified as explained in Justification  Opinions were reviewed and discussed  Comments were reviewed and discussed (if applicable)  Other: (explain) | |
| ERCOT Board Decision | | On 9/22/25, the ERCOT Board voted unanimously to recommend approval of NPRR1288 as recommended by TAC in the 7/30/25 TAC Report. | |

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| **Opinions** | |
| **Credit Review** | ERCOT Credit Staff and the Credit Finance Sub Group (CFSG) have reviewed NPRR1288 and do not believe that it requires changes to credit monitoring activity or the calculation of liability. |
| **Independent Market Monitor Opinion** | IMM supports approval of NPRR1288. |
| **ERCOT Opinion** | ERCOT supports approval of NPRR1288. |
| **ERCOT Market Impact Statement** | ERCOT Staff has reviewed NPRR1288 and believes it has a positive market impact by increasing overall participation in the CRR Auction, with Market Participants still able to transact for any given month in an auction. |

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| Sponsor | |
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| Phone Number | 512-248-4633 |
| Cell Number |  |
| Market Segment | Not Applicable |

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| **Comments Received** | |
| **Comment Author** | **Comment Summary** |
| None |  |

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| **Market Rules Notes** |

Please note the following NPRR(s) also propose revisions to the following section(s):

* NPRR1289, Option Price Report and Establish 1 MW Bid Minimum
  + Section 7.5.2.1

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| Proposed Protocol Language Revision |

7.5.1 Nature and Timing

(1) The Congestion Revenue Right (CRR) Auction auctions the available network capacity of the ERCOT transmission system not allocated as described in Section 7.4, Preassigned Congestion Revenue Rights Overview, or sold in a previous auction. The CRR Auction also allows CRR Owners an opportunity to offer for sale CRRs that they hold. Each CRR Auction allows for the purchase of CRR products as described in paragraph (5) of Section 7.3, Types of Congestion Revenue Rights to Be Auctioned, in one-month strips and allows for the reconfiguration of all CRR blocks that were previously awarded for the months covered by that CRR Auction.

(2) The CRR Network Model must be based on, but is not the same as, the Network Operations Model. For the purposes of CRR Network Model construction for a CRR Long-Term Auction Sequence, ERCOT may, at its sole discretion, utilize the same or similar CRR Network Model inputs for multiple consecutive months. The CRR Network Model must, to the extent practicable, include the same topology, contingencies, and operating procedures as used in the Network Operations Model as reasonably expected to be in place for each month. The expected network topology used in the CRR Network Model for any month or set of months must include all Outages from the Outage Scheduler and identified by ERCOT as expected to have a significant impact upon transfer capability during that time. These Outages included in the CRR Network Model shall be posted on the Market Information System (MIS) Secure Area consistent with model posting requirements by ERCOT with accompanying cause and duration information, as indicated in the Outage Scheduler. Transmission system upgrades and changes must be accounted for in the CRR Network Model for CRR Auctions held after the month in which the element is placed into service.

(a) ERCOT shall use Dynamic Ratings in the CRR Network Model as required under Section 3.10.8, Dynamic Ratings.

(b) The CRR Network Model must use the peak Load conditions of the month or set of months being modeled.

(c) ERCOT’s criteria for determining if an Outage should be in the CRR Network Model shall be in accordance with these Protocols and described in the Operating Guides.

(3) ERCOT shall model bids and offers into the CRR Auction as flows based on the MW offer and defined source and sink. When the Simultaneous Feasibility Test (SFT) is run, the model must weight the power flow buses and Hub Buses included in a Hub or Load Zone appropriately to determine the system impacts of the CRRs.

(a) To distribute injections and withdrawals to buses within a Hub, ERCOT shall use distribution factors specified in Section 3.5.2, Hub Definitions.

(b) To distribute injections and withdrawals to power flow buses in Load Zones, ERCOT shall use the Load-weighted distribution factors for On-Peak Hours in each Load Zone. For a CRR Monthly Auction, ERCOT shall derive CRR Auction Load distribution factors with the set of Load distribution factors constructed in accordance with the ERCOT Load distribution factor methodology specified in paragraph (5) of Section 4.5.1, DAM Clearing Process, for use in the Day-Ahead Market (DAM). For a CRR Long-Term Auction Sequence, ERCOT shall derive CRR Auction Load distribution factors from the corresponding planning model or with the set of Load distribution factors constructed in accordance with the ERCOT Load distribution factor methodology specified in paragraph (5) of Section 4.5.1, for use in the DAM. ERCOT shall notify the market as to which method was used for each CRR Network Model in a CRR Long-Term Auction Sequence in the corresponding auction notice. ERCOT shall post the CRR Auction Load distribution factors as part of the CRR Network Model pre-auction posting. Private Use Network net Load will be redacted from this posting.

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| ***[NPRR1004: Replace paragraph (b) above with the following upon system implementation:]***  (b) To distribute injections and withdrawals to power flow buses in Load Zones, ERCOT shall use the Load-weighted distribution factors for On-Peak Hours in each Load Zone. For CRR Auctions and allocations, ERCOT shall derive Load distribution factors with the set of Load distribution factors constructed in accordance with the ERCOT Load distribution factor methodology specified in paragraph (c) of Section 3.12, Load Forecasting. ERCOT shall post the CRR Auction Load distribution factors as part of the CRR Network Model pre-auction posting. Private Use Network net Load will be redacted from this posting. |

(4) ERCOT shall conduct CRR Auctions as follows:

(a) The CRR Monthly Auction, held once per calendar month, shall include the sale of one-month terms of Point-to-Point (PTP) Options and PTP Obligations for the month immediately following the month during which the CRR bid submission window closes.

(b) Twice per year, a CRR Long-Term Auction Sequence shall be held, selling PTP Options and PTP Obligations, subject to the following constraints:

(i) Each CRR Long-Term Auction Sequence shall consist of six successive CRR Auctions, each of which offers for sale CRRs spanning a term of six consecutive calendar months (either January through June, or July through December). In each such CRR Auction, CRRs shall be offered in one-month strips within the term covered by the auction.

(ii) The CRR Long-Term Auction Sequence shall operate in chronological order, first providing a CRR Auction covering the next six-month (January through June, or July through December) period that has not yet commenced, and then five successive CRR Auctions for the five six-month periods thereafter.

(c) No later than April 1 of each calendar year, ERCOT shall publish an update to the CRR activity calendar on the ERCOT website, with the following requirements:

(i) The calendar shall include activity dates for all CRR Monthly Auctions, all CRR Auctions that are part of a CRR Long-Term Auction Sequence, and all Pre-Assigned Congestion Revenue Right (PCRR) annual allocations for the remainder of the current calendar year and for the two subsequent calendar years.

(ii) Any posted date on the CRR activity calendar shall only be modified if ERCOT determines that the successful execution of the auction would be jeopardized without such modification. If a delay in completion of a CRR Auction that is part of a CRR Long-Term Auction Sequence results in a condition whereby an overlap of credit posting requirements for consecutive CRR Auctions within that sequence would occur, subsequent CRR Auctions within the sequence shall be delayed by the minimum amount of time required to relieve such overlap. For any changes to the posted auction activity dates, ERCOT will send a Market Notice to provide the new date(s) and to explain the need for the change.

(iii) The CRR activity calendar must be approved by the Wholesale Market Subcommittee (WMS) prior to the annual posting.

(5) For each CRR Auction, the CRR Auction Capacity shall be defined as follows:

(a) For the CRR Monthly Auction, 90%.

(b) For any CRR Auction that is part of a CRR Long-Term Auction Sequence, 70%, 55%, 40%, 30%, 20%, or 10% for the first, second, third, fourth, fifth, and sixth six-month windows sold in the sequence, respectively.

(6) For any month covered by a CRR Auction that is part of a CRR Long-Term Auction Sequence, ERCOT shall offer network capacity equal to:

(a) The expected network topology for that month, scaled down to the CRR Auction Capacity percentage; minus

(b) All outstanding CRRs that were previously allocated for the month, scaled down to the CRR Auction Capacity percentage; minus

(c) All outstanding CRRs that were previously awarded for the month in any previous CRR Auction.

(7) For the CRR Monthly Auction, ERCOT shall offer network capacity equal to the difference between:

(a) The expected transmission network topology in the CRR Network Model of the month for which the CRRs are effective scaled down to the CRR Auction Capacity percentage; and

(b) All outstanding CRRs that were previously awarded or allocated for the month.

7.5.2.1 CRR Auction Offer Criteria

(1) A CRR Auction Offer indicates a willingness to sell CRRs at the auction clearing price, if it equals or exceeds the Minimum Reservation Price. It must be submitted by a Participating CRR Account Holder and must include the following:

(a) The short name of the Participating CRR Account Holder;

(b) The unique identifier for each CRR being offered, which must include the single type of CRR being offered;

(c) The source Settlement Point and the sink Settlement Point for the block of CRRs being offered;

(d) The month for which the block of CRRs is being offered, including time-of-use designation except that a 7x24 offer may not be designated;

(e) The quantity of CRRs in MW, which must be the same for each hour within the block, for which the Minimum Reservation Price is effective; and

(f) A dollars per CRR (i.e. dollars per MW per hour) for the Minimum Reservation Price.

(2) The Participating CRR Account Holder may submit a self-imposed credit limit for the CRR Monthly Auction or for each time-of-use in a CRR Auction that is part of a CRR Long-Term Auction Sequence, if desired.

(3) A Participating CRR Account Holder can only offer to sell one-month strips of CRRs for which it is the CRR Owner of record at the time of the offer.

(4) A CRR offer for a specified MW quantity of CRRs constitutes an offer to sell a quantity of CRRs equal to or less than the specified quantity. A CRR offer may not specify a minimum quantity of MW that the Participating CRR Account Holder wishes to sell.

7.5.2.3 CRR Auction Bid Criteria

(1) A CRR Auction Bid indicates a willingness to buy CRRs at the auction clearing price, if it is equal to or less than the Not-to-Exceed Price. It must be submitted by a Participating CRR Account Holder and must include the following:

(a) The short name of the Participating CRR Account Holder;

(b) The single type of CRR being bid;

(c) The source Settlement Point and the sink Settlement Point for the block of CRRs being bid;

(d) The month for which the block of CRRs is being bid, including time-of-use designation, which may include a 7x24 block in a CRR Monthly Auction but not in a CRR Auction held as part of a CRR Long-Term Auction Sequence;

(e) The quantity of CRRs in MW, which must be the same for each hour within the block, for which the Not-to-Exceed Price is effective; and

(f) A dollars per CRR (i.e. dollars per MW per hour) for the Not-to-Exceed Price.

(2) The Participating CRR Account Holder may submit a self-imposed credit limit for the CRR Monthly Auction or for each time-of-use in a CRR Auction that is part of a CRR Long-Term Auction Sequence, if desired.

(3) A bid to buy a PTP Option cannot specify a non-positive Not-to-Exceed Price less than the Minimum PTP Option Bid Price.

(4) A bid to buy a PTP Obligation can specify a negative Not-to-Exceed Price.

(5) A CRR bid for a specified MW quantity of CRRs constitutes a bid to buy a quantity of CRRs equal to or less than the specified quantity. A CRR bid may not specify a minimum quantity of MW that the Participating CRR Account Holder wishes to buy.

(6) A CRR bid may not contain a source Settlement Point and a sink Settlement Point that are Electrically Similar Settlement Points, nor may CRR bids be submitted by any combination of Participating CRR Account Holders within the same Counter-Party to create the net effect of a single PTP Obligation bid containing a source Settlement Point and a sink Settlement Point that are Electrically Similar Settlement Points.