



PUBLIC

Item 6.1: Dispatchable Reliability Reserve Service Ancillary Service

Keith Collins

Vice President, Commercial Operations

Board of Directors Meeting

December 8-9, 2025

- **Purpose**

New design for Dispatchable Reliability Reserve Service (DRRS) submitted in Nodal Protocol Revision Request (NPRR) 1309 and Nodal Operating Guide Revision Request (NOGRR) 283, and ERCOT seeks Urgent timelines.

- **Voting Item**

This is a voting item. ERCOT requests that the Board designate NPRR1309 and NOGRR283 as Board Priority Revision Requests and for the Technical Advisory Committee (TAC) to bring the Revision Requests for consideration at the June 2026 Board meeting.

Key Takeaways

- NPRR1309 is the third iteration of DRRS design and presents requested improvements while meeting all statutory criteria
- Texas Legislature expects expeditious implementation of DRRS
- PUCT has designated DRRS as a key Commission priority in ERCOT's budget approval

DRRS Revision Request Overview

- NPPRR 1309, *Dispatchable Reliability Reserve Service Ancillary Service*, submitted to:
 1. Address stakeholder feedback that DRRS procurements be able to be co-optimized with procurements of energy and other Ancillary Services;
 2. While fulfilling all statutory design criteria in TEX. UTIL. CODE § 39.159(d)
- NPPRR 1310, *Dispatchable Reliability Reserve Service Plus Energy Storage Resource Participation and Release Factor*, also submitted to include optionality for:
 1. Energy Storage Resource (ESR) participation in DRRS; and
 2. Add Release Factor for DRRS to be capable of supporting resource adequacy
- NOGRR 283, *Related to NPPRR 1309*
- Existing NPPRR 1235, *Dispatchable Reliability Reserve Service as Stand-Alone Ancillary Service*, withdrawn

Key Takeaway: NPPRR 1309 provides the new baseline design to allow for co-optimization while meeting statutory criteria. NPPRR 1310 adds optional functionality to that baseline.



Board Priority Revision Request

- Protocols § 21.5(3) allows the Board to designate an NPRR as a Board Priority Revision Request so that it is considered on an Urgent timeline
- ERCOT requests that the Board designate NPRR 1309 and NOGRR 283 as Board Priority Revision Requests and instruct the Technical Advisory Committee to submit a recommendation on the Revision Requests for consideration at the Board's June 2026 meeting
- Designation as Board Priority Revision Request is appropriate because:
 1. NPRR 1309 is third iteration of DRRS design and stakeholders are familiar with the statutory criteria driving the design;
 2. Leadership of Texas Legislature submitted a letter allowing for more time for DRRS design development, but nevertheless expeditious implementation is necessary; and
 3. Public Utility Commission of Texas designated DRRS as a key PUCT priority in approval of ERCOT's budget on November 6, 2025

Key Takeaway: ERCOT requests NPRR 1309 and NOGRR 283 be designated as Board Priority Revision Requests to support consideration at June 2026 Board meeting.





Date: December 1, 2025
To: Board of Directors
From: Keith Collins, Vice President Commercial Operations
Subject: Request to Designate as Board Priority Revision Requests NPRR1309, *Dispatchable Reliability Reserve Service Ancillary Service*, and NOGRR283, *Related to NPRR1309, Dispatchable Reliability Reserve Service Ancillary Service*

Issue for the ERCOT Board of Directors

ERCOT Board of Directors Meeting Date: December 8-9, 2025

Item No.: 6.1

Issue: Electric Reliability Council of Texas, Inc. (ERCOT) requests that the ERCOT Board of Directors (Board) designate Nodal Protocol Revision Request (NPRR) 1309, *Dispatchable Reliability Reserve Service Ancillary Service*, and Nodal Operating Guide (NOGRR) 283, *Related to NPRR1309, Dispatchable Reliability Reserve Service Ancillary Service*, as Board Priority Revision Requests pursuant to ERCOT Nodal Protocols § 21.5(3).

Background/History: House Bill (H.B.) 1500 § 22, 88th Leg., R.S. (2023) amended TEXAS UTILITIES CODE § 39.159 to require the Public Utility Commission of Texas (PUCT) to require ERCOT to develop and implement an Ancillary Service, Dispatchable Reliability Reserve Service (DRRS). Subsection (d) of § 39.159 establishes certain minimum characteristics for DRRS, including that the service reduce the amount of Reliability Unity Commitment (RUC) by the amount of DRRS procured and that participating Resources: (A) be capable of running for at least four hours at the Resource's High Sustained Limit; (B) be On-Line and dispatchable not more than two hours after being called on for deployment; and (C) have the dispatchable flexibility to address inter-hour operational challenges.

On September 27, 2023, ERCOT submitted NPRR1203, *Implementation of Dispatchable Reliability Reserve Service*, to establish DRRS as a subtype of an existing Ancillary Service, Non-Spinning Reserve Service (Non-Spin). H.B. 1500 § 51 established a statutory deadline of December 1, 2024, by which to implement DRRS and establishing DRRS as a sub-type of an existing Ancillary Service was deemed necessary to allow for implementation by this deadline. However, on October 17, 2023, Senator



Schwertner, Chairman of the Senate Committee on Business and Commerce, and Representatives Hunter and Holland, Chairman and Vice Chairman respectively of the House Committee on State Affairs, issued a letter to the PUCT that was filed in PUCT Project No. 55156 and urged the PUCT “to direct ERCOT to revise NPRR 1203 to establish DRRS as a standalone ancillary service, even if doing so will cause a delay in the implementation timeline while, of course, still expeditiously pursued. Doing so will ensure the forthcoming DRRS product is implemented in a manner which aligns with the intent of the legislature and provides the most overall benefit to the ERCOT market.” On May 29, 2024, ERCOT submitted NPRR1235, *Dispatchable Reliability Reserve Service as a Stand-Alone Ancillary Service*, to establish DRRS as a new Ancillary Service separate from Non-Spin.

NPRR1235 only permitted participation in DRRS by Off-Line Resources. In order to incorporate stakeholder feedback for design improvements, ERCOT has withdrawn NPRR1235, and on November 20, 2025, submitted NPRR1309, *Dispatchable Reliability Reserve Service Ancillary Service*. This new NPRR meets all statutory criteria of TEX. UTIL. CODE § 39.159(d) while improving on NPRR1235 by allowing On-Line Resources to participate in DRRS in addition to Off-Line Resources. This new design enables DRRS to be awarded in Real-Time and accordingly procurement of DRRS may be co-optimized with procurement of energy and other Ancillary Services. Additionally, ERCOT submitted NOGRR283, *Related to NPRR1309, Dispatchable Reliability Reserve Service Ancillary Service*.

Key Factors Influencing Issue: Designation of NPRR1309 and NOGRR283 as Board Priority Revision Requests will ensure that they move expeditiously through the stakeholder process due to consideration on Urgent timelines. This is appropriate because NPRR1309 is now the third iteration of DRRS design and, although leadership of the Texas Legislature indicated through their letter to the PUCT that additional development time would be permissible in order to achieve a design that better aligns with the intent of the Legislature, it is nevertheless incumbent on ERCOT to present a DRRS design to the PUCT for implementation as expeditiously as possible.

Furthermore, in PUCT Docket No. 38533 in its *Order Approving ERCOT’s 2026 to 2027 Biennial Budget and Authorizing the System Administration Fee*, the PUCT designated DRRS as a key PUCT priority with associated requirements for ERCOT performance measures and quarterly reporting on “quantifiable measures of success in achieving milestones that will ensure key Commission priorities are implemented on a timely basis and within budget.”



Conclusion/Recommendation: Because expeditious design and implementation of DRRS is necessary both to satisfy the legislative requirements of TEX. UTIL. CODE § 39.159(d) and the PUCT's designation of DRRS as a key PUCT priority associated with ERCOT's budget and performance measures, ERCOT recommends that the Board designate NPRR1309 and NOGRR283 as Board Priority Revision Requests and instruct the Technical Advisory Committee to bring a recommendation on NPRR1309 and NOGRR283 to the Board at its June 1-2, 2026 meeting for consideration of a recommendation of approval.



ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.
BOARD OF DIRECTORS RESOLUTION

WHEREAS, Nodal Protocol Revision Request (NPRR) 1309 has been submitted to establish Dispatchable Reliability Reserve Service (DRRS) in accordance with the requirements of Texas Utilities Code § 39.159(d);

WHEREAS, leadership of the Texas Legislature has indicated that DRRS should be designed and implemented expeditiously;

WHEREAS, the Public Utility Commission of Texas (PUCT) has designated DRRS as a key PUCT priority in its *Order Approving ERCOT's 2026 to 2027 Biennial Budget and Authorizing the System Administration Fee* issued in PUCT Docket No. 38533 on November 6, 2025;

WHEREAS, Nodal Operating Guide Revision Request (NOGRR) 283 has been submitted in relation to NPRR1309; and

WHEREAS, after due consideration of the alternatives, the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) deems it desirable and in the best interest of ERCOT for NPRR1309 and NOGRR283 to be considered on Urgent timelines;

THEREFORE, BE IT RESOLVED, that the Board hereby designates NPRR1309, *Dispatchable Reliability Reserve Service Ancillary Service*, and NOGRR283, *Related to NPRR1309, Dispatchable Reliability Reserve Service Ancillary Service*, each as a Board Priority Revision Request pursuant to Section 21.5(3) of the ERCOT Protocols and directs the Technical Advisory Committee to bring a recommendation on NPRR1309 and NOGRR283 to the June 2026 meeting of the Board for consideration of a recommendation of approval.

CORPORATE SECRETARY'S CERTIFICATE

I, Brandon Gleason, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its December 8-9, 2025, meeting, the Board passed a motion approving the above Resolution by _____.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of December, 2025.

Brandon Gleason

Assistant Corporate Secretary