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# **NPRRxxx Advanced Grid Support Incentive Program Concept Overview**

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ERCOT IBRWG Meeting  
March 27, 2026

## Revision Description and Justification

- NOGRR 272 and PGRR 121, approved in 2025, require Energy Storage Resources (ESRs) with an original Standard Generation Interconnection Agreement (SGIA) on or after April 1, 2026, to provide advanced grid support (AGS, similar to grid forming) through model demonstration and quality tests.
- ERCOT is proposing an NPRR to create a one-time incentive for Inverter-based Resources (IBRs), which are exempt from providing AGS under NOGRR272, to implement the advanced grid support within 2 years of approval.
  - This NPRR incentivizes ESRs to enhance grid stability and resilience and includes other IBRs like wind and solar to promote adoption of AGS. The benefits will mitigate the existing stability constraints and reduce future grid stress, aiding resource and load interconnection.

# AGS Incentive Program Timeline Overview (Example, Effective on 1/1/2027)

## Application

- Application Deadline: 6/30/2027
- Complete Application Forms
- Model demonstration and quality tests

## Evaluation

- Order of receipt
- Complete the evaluation by 9/30/2027
- Based on project rating (MW) and unit price of \$1500/MW
- Total award not to exceed \$25 million assuming full payment for awarded projects

## Implementation

- The AGS must be implemented in operations by 12/31/2028

## Payment

- Total payment is calculated as follows: Project Rating (MW) \* \$1500/MW\* availability factor (AF)
  - AF = 1 for availability greater than 90% during the first 12 months
  - AF is reduced linearly for availability less than 90% during the first 12 months
- The charge will be allocated on a Load Ratio Share basis, based on the total load for the calendar quarter previous to the quarter in which the payment occurs

## Next Step and Tentative Schedule

- Present the concept to the Inverter-based Resource Working Group (IBRWG) in March 2026
- ERCOT will review stakeholder feedback and submit the NPRR by Q2 2026
- For comments or questions, please contact [Shun-Hsien.Huang@ercot.com](mailto:Shun-Hsien.Huang@ercot.com)