



## Item 4: High-Impact Policy Discussions in the Stakeholder Process

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Board of Directors Meeting

September 14-15, 2026

### Purpose

Provide an update on key policy issues currently in the stakeholder process

### For information

No action is requested; for discussion only

### Key Takeaways

- New key initiative regarding Advanced Grid Support has been added this cycle.
- Large Load integration remains a priority. Several key initiatives will be kicking off in the next few months as the PUC continues to approve SB 6 related rulemakings.



# Key Commission Priorities for 2026-2027

ERCOT and PUC Staff worked to develop performance measures for each key Commission priority, including milestones and target completion dates for each measure. ERCOT's 2026 Q3 update is available [here](#).

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

- Implementation and stabilization of RTC+B, including any improvements needed for Ancillary Service Demand Curves (ASDCs)

## Senate Bill (SB) 6 (89R)

- Implementation of SB 6 provisions relating to the planning for, interconnection and operation of, and costs related to providing service for certain electrical loads

## Dispatchable Reliability Reserve Service (DRRS)

- Implementation of a new DRRS Ancillary Service as required by House Bill (HB) 1500 (88R)

## Implementation of Ancillary Service Study Findings

- Address the findings and next steps from Commission's [2024 Ancillary Services Study](#) required by SB 3 (87R)

## Large Load Interconnection

- Improving processes and timelines for the interconnection of large loads in the ERCOT power region



# Dispatchable Reliability Reserve Service (DRRS)

[HB 1500 \(88R\)](#) requires ERCOT to develop and implement an Ancillary Service program to procure dispatchable reliability reserve services on a Day-Ahead and Real-Time basis to account for market uncertainty.

[NPRR1309](#) and [NOGRR283](#), including the core statutorily required DRRS functionality, were adopted by the ERCOT Board at its June 2026 meeting and approved by the Commission in July.



## NPRR1310

### Dispatchable Reliability Reserve Service Plus Energy Storage Resource Participation and Release Factor

- **Urgent** - Revision request proposes an Energy Storage Resource (ESR) participation model in DRRS and a Release Factor concept that provides optionality for DRRS to also be used as a mechanism to support resource adequacy.
- **Posted: November 20, 2025**
- **Current Status: tabled at PRS pending revisions and is expected to remain tabled pending progress on the Triennial Reliability Assessment per 16 TAC §25.508**



## NPRR1340

### Dispatchable Reliability Reserve Service Ancillary Service with Energy Storage Resource Participation

In line with Commission [guidance](#), provides a framework for Energy Storage Resource (ESR) participation in DRRS, limiting eligibility to ESRs with sufficient storage capacity (MWh) to discharge at their maximum sustained discharging capability (MW) for at least four hours.

- **Posted: May 29, 2026**
- **Current Status: tabled at PRS and referred to ROS and WMS**

#### Key Takeaways:

- NPRR1340 is expected for consideration by the December Board in order to implement the ESR functionality at DRRS go-live.
- ERCOT is working with PUCT Staff to further modify the Reliability Assessment timeline given delays in adjusting the 2026 Long-Term Load Forecast (LTLF).



# Large Load Issues - [Senate Bill \(SB\) 6](#) (89R) Implementation

Net Metering Arrangements Involving a Large Load Co-Located with an Existing Generation Resource  
(PURA §39.169)

- PUC Project No. 58479, **new 16 TAC §25.205 adopted in March 2026**
- Rule codifies the process for the Commission's evaluation of a net metering arrangement involving a Large Load and co-located with an existing Generation Resource along with the criteria used to evaluate the arrangement.

Large Load Forecasting Criteria  
(PURA §37.0561)

- PUC Project No. 58480, **new 16 TAC § 25.370 adopted in February 2026**
- Rule establishes criteria for ERCOT to include Large Loads in the forecasts that Transmission Service Providers (TSPs) submit to ERCOT for purposes of developing transmission planning and resource adequacy models and reports.
- Rule also establishes criteria for TSPs to reasonably determine existing and forecasted load (see *HB 5066 (88R)*).
- The Commission also approved an ERCOT compliance plan to ensure the 2026 Regional Transmission Plan (RTP) complies with rule.

Large Load Interconnection Standards (PURA §37.0561)

- PUC Project No. 58481, **expected September 2026**
- Rulemaking will establish standards for the interconnection of Large Load customers in ERCOT that support business development while minimizing the potential for stranded infrastructure costs and maintaining system reliability.

Reliability Service to Competitively Procure Demand Reductions from Large Loads (PURA §39.170)

- PUC Project No. 58482, **expected November 2026**
- Rulemaking will codify requirements for ERCOT to develop a new reliability service that competitively procures demand reductions from loads with a demand of  $\geq 75$  MWs to be deployed in the event of an anticipated emergency condition.

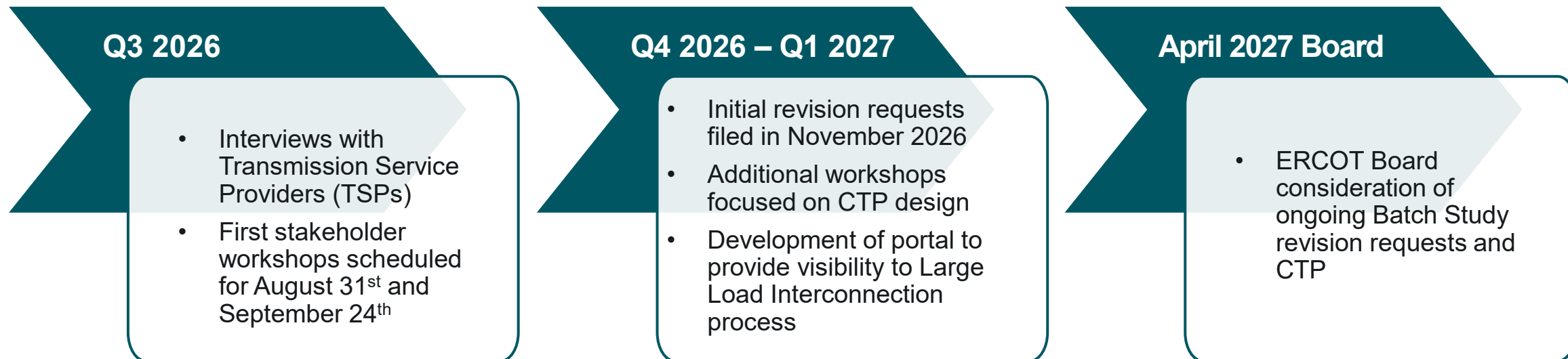
Evaluation of Transmission Cost Recovery (SB 6 Section 6 (a)-(c))

- PUC Project No. 58484, **Staff report filed May 2026, rule expected December 2026**
- Project will evaluate whether the existing 4CP methodology continues to appropriately assign costs for transmission investment or if an alternative methodology would more appropriately assign the costs of providing access and codify any recommendations in a subsequent rulemaking.



# Large Loads – Batch Study Process and Ride-Through Issues

ERCOT is entering the next phase of Large Load integration as discussions transition from Batch Zero to ongoing batch-based planning, modeling, and reliability studies as a single **Comprehensive Transmission Planning (CTP)** framework.



## NOGRR289

### Extension for LCL Cooling Load Ride-Through Compliance

Revision request seeks to amend the [NOGRR282](#) timelines and permit a Large Computational Load (LCL) to achieve compliance with the applicable ride-through requirements within 365 days after its in-service date where the LCL's cooling load is unable to satisfy such requirements as of the in-service date due to ongoing design and manufacturing limitations.

- **Posted: July 21, 2026 (Sponsor – SB Energy)**
- **Current Status: granted Urgent status; tabled at ROS**

# Advanced Grid Support

[NOGRR272](#) strengthened grid stability and resilience by mandating that new inverter-based Energy Storage Resources (ESRs) connected to the ERCOT Transmission Grid provide advanced grid support.

Existing ESRs (and perhaps other types of Inverter-Based Resources (IBRs), such as wind and solar resources) may also be able to provide these functions without substantial modifications.

## NPRR1333

### Establish an Incentive Program for Advanced Grid Support

Revision request seeks to establish a one-time advanced grid support incentive program to encourage IBRs that would not otherwise be required to provide advanced grid support to implement advanced grid support within 18 months of receiving the award notification. Broader deployment of advanced grid support is expected to improve grid stability, reduce resource curtailment, and maximize the value of existing transmission and generation assets.

- **Posted: May 26, 2026**
- **Current Status: tabled at PRS and referred to WMS**

#### Key Policy Issues for Stakeholder Consideration:

- Program Eligibility
- Funding cap and program demand
- Performance verification
- Cost allocation
- Interaction with NERC standards



# Standard Form Agreement (SFA)

The Standard Form Market Participant Agreement outlines the terms and conditions under which ERCOT and the participant will fulfill their respective duties and responsibilities.

- The SFA includes definitions and sections regarding key provisions such as Notice, Transfers Breach and Default that more appropriately belong in the Protocols.
- Revisions to the SFA are also needed to reflect the Texas Supreme Court's determination in *CPS Energy v. ERCOT* that ERCOT is an arm of government that has sovereign immunity and is subject to the Public Utility Commission of Texas' exclusive jurisdiction.

## NPRR1312

### Revisions to the Standard Form Agreement (SFA)

Amends the SFA and transfers certain sections to the Protocols, including establishing a new section regarding Notice and modernizing the Notice language, transferring Breach and Default, and amending the definition of a Force Majeure.

The revision request also amends Standard Form Black Start Agreement and Standard Form Must Run Agreement to align with revisions to the SFA.

- **Posted: November 26, 2025**
- **Current Status: tabled at PRS**

### Next Steps Regarding Key Policy Issues:

- ERCOT is submitting comments for consideration at the September PRS to address stakeholder concerns regarding notice of breach under the SFA.

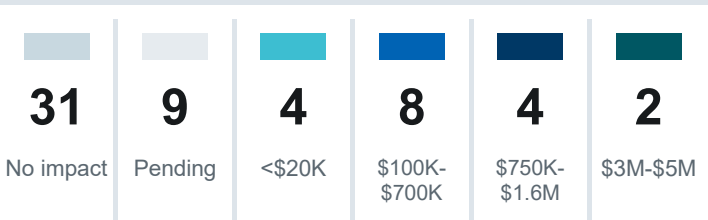
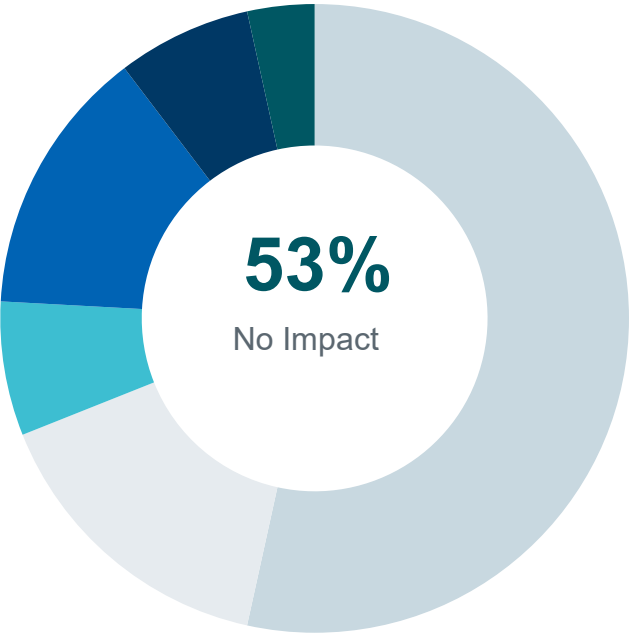


# Appendix

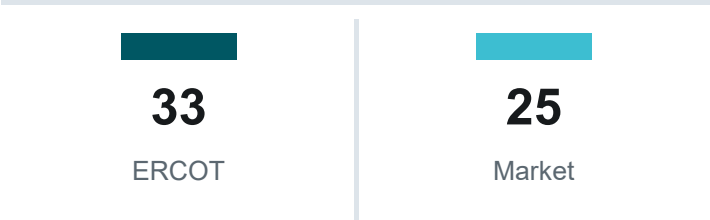
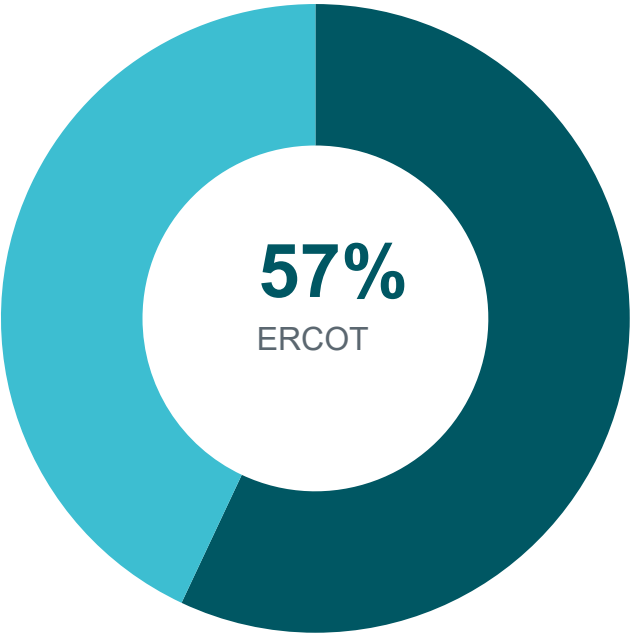
- Appendix A: 58 Revision Requests in Process
- Appendix B: Aging Revision Requests
- Appendix C: Statistics – New Revision Requests Submitted
- Appendix D: Acronyms

# Appendix A: Revision Requests in Process

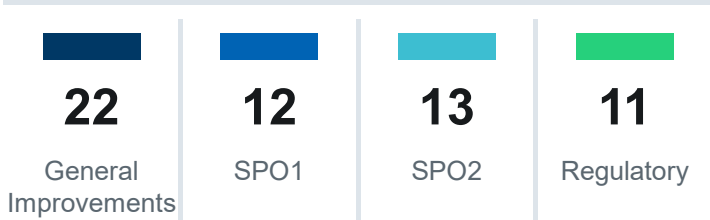
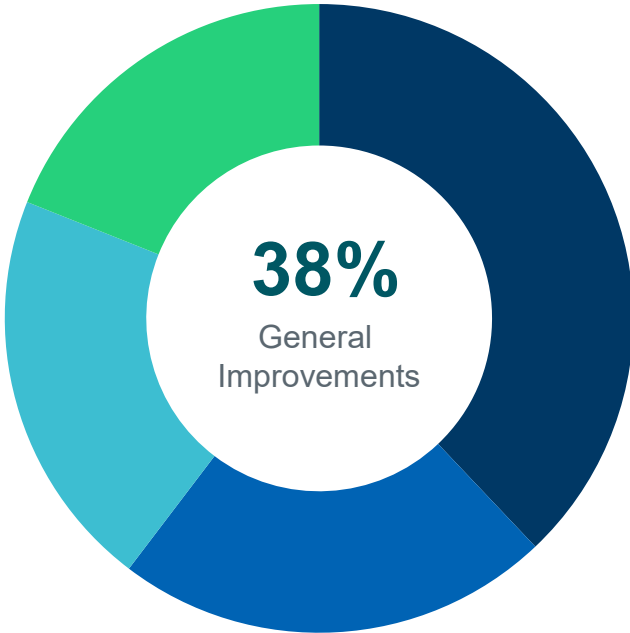
BUDGETARY IMPACT



SPONSORSHIP



REASON FOR REVISION

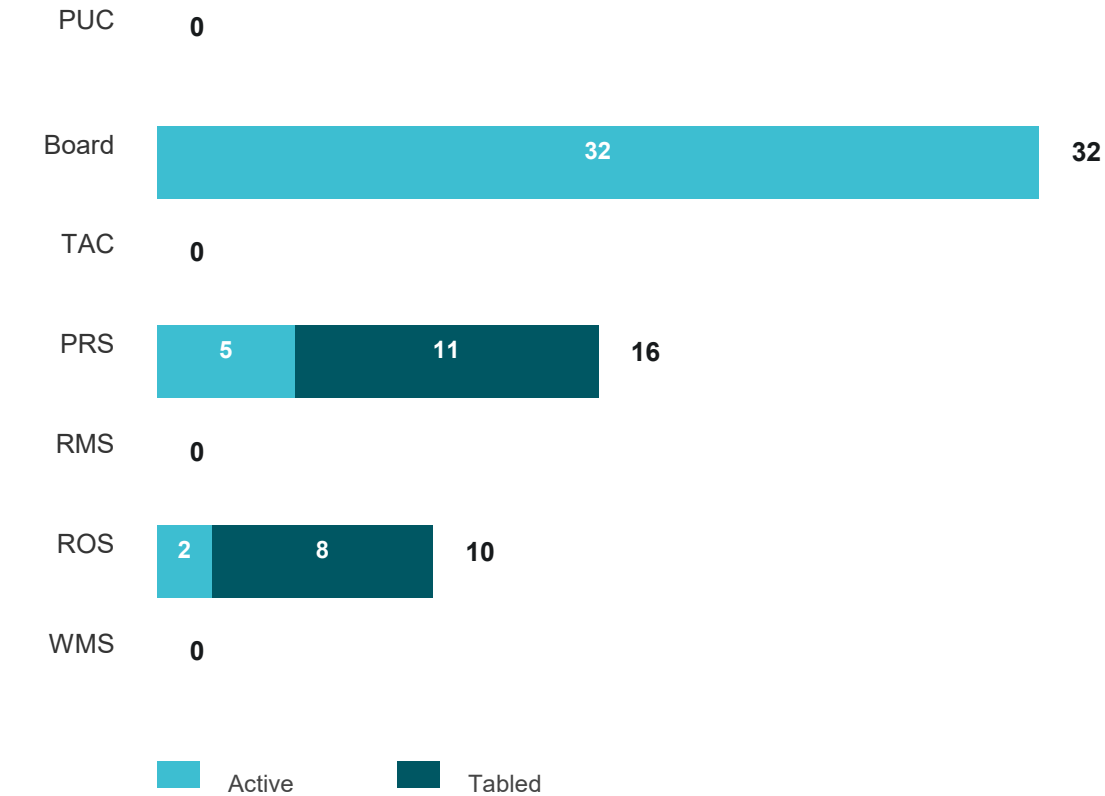


# Appendix A: 58 Revision Requests in Process



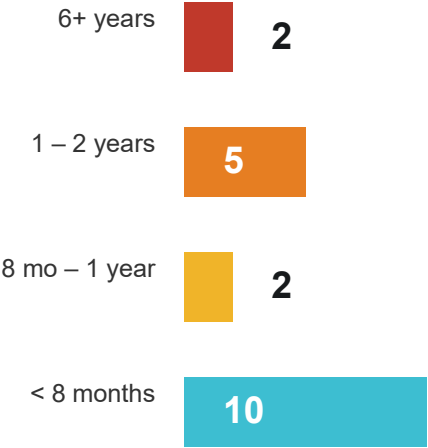
## LOCATION OF REVISION REQUESTS

Active (teal) · Tabled (dark)



## HOW LONG HAVE THEY BEEN TABLED?

Aging of the 19 tabled revision requests



2 Revision Requests tabled 6+ years; 7 tabled over 1 year

# Appendix B: Aging Revision Requests

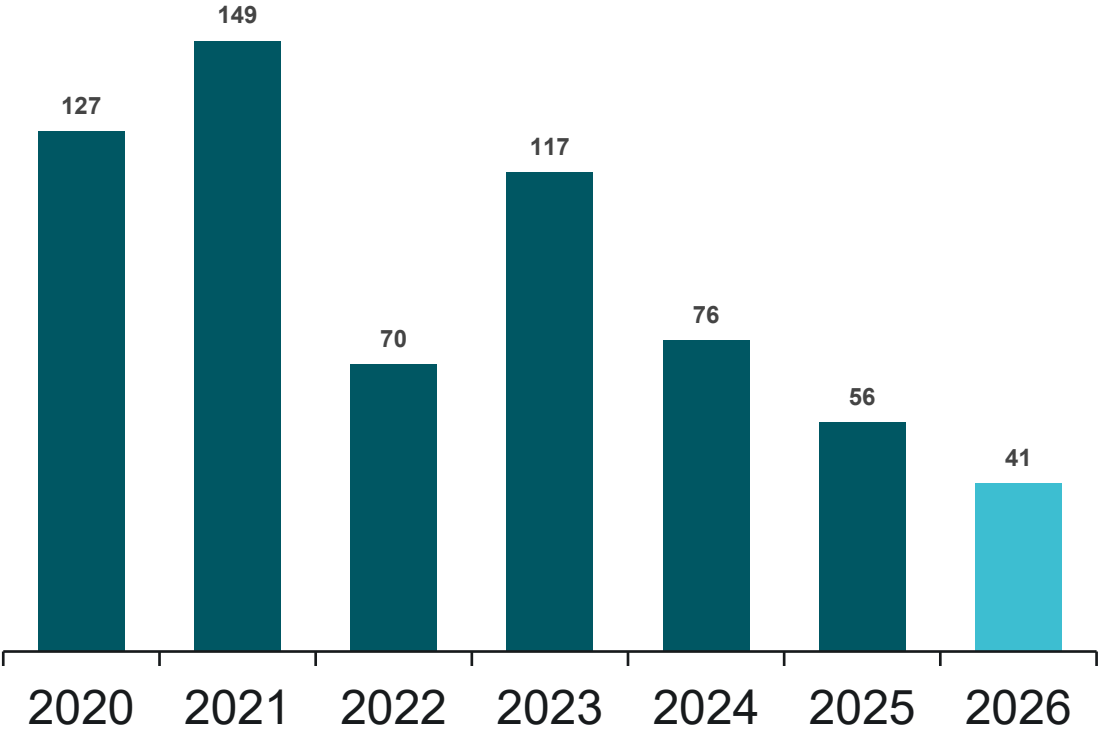
| Revision Request                                                                      | Length Tabled | Notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>🕒 Tabled 6+ Years</b>                                                              |               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>NPRR956 &amp; PGRR073</b><br>Designation of Providers of Transmission Additions    | 6+ years      | Tabled at PRS. A contested case which involves issues related to NPRR956 remains pending before the PUC in Docket 58408. At the conclusion of the case, ERCOT Staff will evaluate the impact of the PUC's decision. Additionally, ERCOT Staff is preparing other Revision Requests that overhaul/unify planning processes which is expected to significantly change the section language upon which NPRR956 is written. ERCOT Staff will reassess whether NPRR956 should remain, be withdrawn, or be incorporated into these new Revision Requests later this year once the Revision Requests have been further developed. |
| <b>🕒 Tabled 1–2 Years</b>                                                             |               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>PGRR122</b><br>Reliability Performance Criteria for Loss of Load                   | 1–2 years     | Tabled at ROS. Referred to DWG and PLWG; LLWG also discussing. ERCOT has conducted studies on supporting more than 1,000 MW of Load loss and will keep LLWG updated. Multiple sets of comments filed over the summer, and ERCOT is working on another set, with the goal of reaching consensus at PLWG in September for ROS action in October.                                                                                                                                                                                                                                                                             |
| <b>PGRR124</b><br>ESR Maintenance Exception to Modifications                          | 1–2 years     | Tabled at ROS. Referred to PLWG. Discussions inactive since February 2026 at sponsor's request.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>NPRR1255</b><br>Introduction of Mitigation of ESRs                                 | 1–2 years     | Tabled at PRS. ERCOT has no immediate plans to advance and will reevaluate later this year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>NPRR1272</b><br>Voltage Support at Private Use Networks                            | 1–2 years     | Tabled at PRS. ERCOT waits for Oxy to propose comments.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>NPRR1278</b><br>Establishing Advanced Grid Support Service as an Ancillary Service | 1–2 years     | Tabled at PRS. Sponsor noted recent PUC discussions on ESRs and plans to renew NPRR1278 discussions at WMWG.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

# Appendix B: Aging Revision Requests

| Revision Request                                                                                                          | Length Tabled   | Notes                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <b>Tabled 8 Months – 1 Year</b>         |                 |                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>NPRR1296</b><br>Residential Demand Response Program                                                                    | 8 months – 1 yr | Tabled at PRS. Continued discussions at RMS/WMS. Recent WMS discussions have included alternative proposals which ERCOT Staff is developing internally with plans to share more at upcoming WMS meetings.                                                                                                                                                                                                                                    |
| <b>NPRR1310</b><br>Dispatchable Reliability Reserve Service Plus Energy Storage Resource Participation and Release Factor | 8 months – 1 yr | With the approval of NPRR1309, Board Priority - Dispatchable Reliability Reserve Service Ancillary Service, and submittal of NPRR1340, Dispatchable Reliability Reserve Service Ancillary Service with Energy Storage Resource Participation, the bulk of DRRS-related work has been addressed in other NPRRs. ERCOT requested PRS leave NPRR1310 tabled, for now, awaiting either subsequent comments to repurpose it or formal withdrawal. |

# Appendix C: Statistics – New Revision Requests Submitted

41  
New in 2026 YTD



## NEW REVISION REQUESTS SINCE JUNE BOARD

|                          |                                                                     |
|--------------------------|---------------------------------------------------------------------|
| <a href="#">LPGRR077</a> | Profile Decision Tree Excel-to-Word Conversion                      |
| <a href="#">NPRR1341</a> | Related to LPGRR077, Profile Decision Tree Excel-to-Word Conversion |
| <a href="#">RMGRR186</a> | Related to LPGRR077, Profile Decision Tree Excel-to-Word Conversion |
| <a href="#">NPRR1342</a> | Mitigated Offer Caps for Contract for Capacity Resources            |
| <a href="#">NPRR1343</a> | Introduction of PTP Obligation Bid Fee in DAM                       |
| <a href="#">NOGRR289</a> | Extension for LCL Cooling Load Ride-Through Compliance              |
| <a href="#">NPRR1344</a> | Move OBD to Section 19 - Texas Market Test Plan                     |
| <a href="#">NPRR1345</a> | Extend NPRR1279 Sunset Date for Exceptional Fuel Cost Process       |
| <a href="#">NPRR1346</a> | Updates to the Fuel Oil Price (FOP)                                 |

# Appendix D: Acronyms

| Acronyms | Term                                          |
|----------|-----------------------------------------------|
| 4CP      | Four Coincident Peak                          |
| ASDC     | Ancillary Services Demand Curve               |
| CTP      | Comprehensive Transmission Planning           |
| DAM      | Day Ahead Market                              |
| DRRS     | Dispatchable Reliability Reserve Service      |
| DWG      | Dynamics Working Group                        |
| ESR      | Energy Storage Resource                       |
| FOP      | Fuel Oil Price                                |
| IBR      | Inverter Based Resource                       |
| LCL      | Large Computational Load                      |
| LLWG     | Large Load Working Group                      |
| LPGRR    | Load Profiling Guide Revision Request         |
| LTLF     | Long Term Load Forecast                       |
| MW       | Megawatt                                      |
| MWh      | Megawatt-hour                                 |
| NERC     | North American Energy Reliability Corporation |
| NOGRR    | Nodal Operating Guide Revision Request        |
| NPRR     | Nodal Protocol Revision Request               |
| OBD      | Other Binding Document                        |
| PGRR     | Planning Guide Revision Request               |

# Appendix D: Acronyms

| Acronyms | Term                                     |
|----------|------------------------------------------|
| PLWG     | Planning Working Group                   |
| PRS      | Protocol Revision Subcommittee           |
| PTP      | Point to Point                           |
| RMGRR    | Retail Market Guide Revision Request     |
| RMS      | Retail Market Subcommittee               |
| ROS      | Reliability and Operations Working Group |
| RTC+B    | Real-Time Co-optimization plus Batteries |
| RTP      | Regional Transmission Plan               |
| SFA      | Standard Form Agreement                  |
| TAC      | Technical Advisory Committee             |
| TSP      | Transmission Service Provider            |
| WMS      | Wholesale Market Subcommittee            |
| WMWG     | Wholesale Market Working Group           |