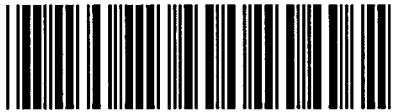




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REPORT OF THE ELECTRIC	§	PUBLIC UTILITY COMMISSION
RELIABILITY COUNCIL OF TEXAS	§	
(ERCOT) TO THE PUCT REGARDING	§	OF TEXAS
IMPLEMENTATION OF THE ERCOT	§	
PROTOCOLS	§	

ERCOT'S SUGGESTIONS TO THE DRAFT ORDER

COMES NOW, the Electric Reliability Council of Texas, Inc. ("ERCOT") and files these *Suggestions to the Draft Order* of July 24, 2003 and respectfully shows the following:

The ERCOT Board is currently voting on PRR 440, a Protocol Revision Request to remove consideration of a Market Solution for Local Congestion on an interim basis until a permanent solution can be found to address anomalies associated with certain local congestion problems. Materials relating to PRR 440 are publicly posted on ERCOT's web site at <http://www.ercot.com/NewsRoom/PressReleases/pr20030723.htm>. PRR 440 might be inappropriately construed as contrary to certain provisions within the *Draft Order*. Based upon the Commissioners' support of PRR 440 expressed at the July 25, 2003, Open Meeting, ERCOT suggests the corrections identified below (in blackline) to the *Draft Order* to alleviate any discrepancy.

From the Discussion¹:

DPL Issue No. 5: Should the application of the existing market solution test be extended to all local reliability service procurements?

The Commission finds that application of the existing market solution test should be extended to all local reliability service procurements. Congestion is not the only local-reliability issue that ERCOT must address through the use of ancillary services. Accordingly, ERCOT should revise its protocols to extend the test to apply to any local-reliability need **except as provided on an interim basis to address anomalies in service selection and pricing.**

¹ See *Draft Order*, p. 12

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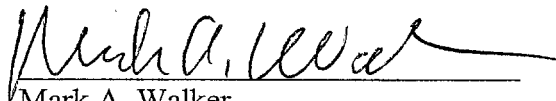
From the Ordering Paragraphs²:

4. ERCOT shall adopt protocols to apply the existing market solution test to all local reliability service procurements **except as provided on an interim basis to address anomalies in service selection and pricing.**

Conclusion

ERCOT appreciates this opportunity to provide these proposed corrections to the *Draft Order* and respectfully requests incorporation of the same into a Final Order in this Docket.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I, Mark A. Walker, attorney for ERCOT, certify that a copy of this document filed in this docket by ERCOT was served on all parties of record in this proceeding on July 30, 2003, in the following manner: by facsimile, first class U.S. mail or hand delivery.



Mark A. Walker

² See *Draft Order*, Ordering Paragraph No. 4 (incorrectly labeled as Paragraph No. 2), p. 30