



Filing Receipt

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Control Number - 53377
ItemNumber - 42

PUC DOCKET NO. 53377

| | | |
|--|----------|----------------------------------|
| COMPLAINT OF ENGIE ENERGY | § | PUBLIC UTILITY COMMISSION |
| MARKETING NA, INC. AND VIRIDITY | § | |
| ENERGY SOLUTIONS, INC. AGAINST | § | OF TEXAS |
| THE ELECTRIC RELIABILITY | § | |
| COUNCIL OF TEXAS, INC. | § | |

**ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.’S
RESPONSE TO COMPLAINANTS’ THIRD SET OF REQUESTS FOR INFORMATION**

Electric Reliability Council of Texas, Inc. (“ERCOT”) files this response to the Third Set of Requests for Information (“RFI”) promulgated by Engie Energy Marketing NA, Inc. (“Engie”) and Viridity Energy Solutions, Inc. (“Viridity”) (collectively, “Complainants”).

I. WRITTEN RESPONSES

ERCOT’s written responses to Complainants’ Third Set of RFIs are attached and incorporated by reference. Each response is stated on or attached to a separate page on which the request has been restated. ERCOT’s responses are made in the spirit of cooperation without waiving ERCOT’s right to contest the admissibility of any of these matters at hearing. Pursuant to P.U.C. PROC. R. 22.144(c)(2)(A), each response lists the preparer or person under whose direct supervision the response was prepared and any sponsoring witness. When ERCOT provides certain information sought by the request while objecting to the provision of other information, it does so without prejudice to its objection in the interests of narrowing discovery disputes pursuant to P.U.C. PROC. R. 22.144(d)(5). Pursuant to P.U.C. PROC. R. 22.144(c)(2)(F), ERCOT stipulates that its responses may be treated by all parties as if they were made under oath.

Respectfully submitted,

/s/ Douglas Fohn

Chad V. Seely
Vice President and General Counsel
Texas Bar No. 24037466
(512) 225-7035
chad.seely@ercot.com

Brandon Gleason
Assistant General Counsel
Texas Bar No. 24038679
(512) 275-7442 (Phone)
brandon.gleason@ercot.com

Douglas Fohn
Sr. Corporate Counsel
State Bar No. 24036578
(512) 275-7447 (Phone)
douglas.fohn@ercot.com

ERCOT
8000 Metropolis Drive, Bldg. E, Suite 100
Austin, Texas 78744

Ron H. Moss
State Bar No. 14591025
WINSTEAD PC
401 Congress Avenue, Suite 2100
Austin, Texas 78701
Telephone: (512) 370-2867
Facsimile: (512) 370-2850
Email: rhmos@winstead.com

ATTORNEYS FOR ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.

CERTIFICATE OF SERVICE

I hereby certify that a copy of this document was served on all parties of record to this proceeding on May 23 2022 by email, in accordance with Second Order Suspending Rules issued on July 16, 2020 in Project No. 50664.

/s/ Douglas Fohn

Douglas Fohn

RESPONSES

QUESTION NO. Engie/Viridity 3-1:

Provide all transcripts, notes, recordings, documentation, correspondence or any other materials in any format whatsoever related to any communication, including telephone conferences, on February 18, 2021, between representatives of Viridity and ERCOT regarding Responsive Reserve Service, returning Load Resources to service, or keeping Load Resources offline.

RESPONSE:

Please refer to Exhibit ERCOT-Engie/Viridity 3-1.

Preparer: Sandip Sharma

Sponsor: Sandip Sharma

From: [Krein, Steve](#)
To: [Robert Douglas](#)
Subject: RE: PPM: Critical Load
Date: Wednesday, February 17, 2021 2:31:00 PM
Attachments: [image002.jpg](#)

Robert,

I called and talked to both Mark Patterson and Sandip Sharma and then forwarded your emails. They are working on your emails internally with senior management at ERCOT. I suggested they talk to you if they need more details. I'm not in a position other than to elevate the issue to a higher level in our management chain.

We're trying to do everything we can to get our generation resources back online so hopefully we can get this resolved quickly. Thanks for reaching out to us.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Robert Douglas [mailto:rdouglas@prioritypower.net]
Sent: Wednesday, February 17, 2021 11:55 AM
To: Krein, Steve <Steve.Krein@ercot.com>
Cc: John Bick <jbick@prioritypower.net>
Subject: RE: PPM: Critical Load

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Steve,

Resending w/ John Bick CC'd.

RD

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: Robert Douglas
Sent: Wednesday, February 17, 2021 11:43 AM
To: skrein@ercot.com
Subject: PPM: Critical Load
Importance: High

Steve,

Per our conversation, Priority Power Management (PPM) has been contacted by Luminant and the Permian Basin Petroleum Association (In accordance with the Railroad Commission and PUCT) due to critical gas (and related services) loads that are critical to the feedstock for power plants. Currently, PPM manages several gas (and associated services) loads that are down for LR obligation, but are willing to restore if we are granted a waiver from ERCOT. The waiver would need to remain in place until ERCOT returns to NORMAL conditions as some of these resources have Bilateral Obligations. Attached you will find a Critical Load spreadsheet, which represent ~230 MW of load.

Best,

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: Robert Douglas
To: Support at Lone Star DR; Krein, Steve; Sumruld, Lisa; Ricaud, Leon
Cc: Russell Schwertner; Amanda Mussall; Clint Zettle
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
Date: Thursday, February 18, 2021 9:52:18 AM
Attachments: image001.jpg
image002.png
image003.png
PPM,LSDR,ERCOT,2.18.21.docx

***** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials.

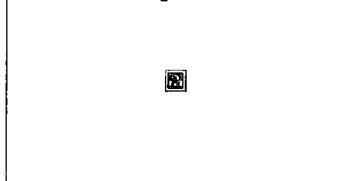
See the attached for an overview.

Robert Douglas
rdouglas@prioritypower.net
408.375.0865

From: Support at Lone Star DR <keith@lonestardemandresponse.com>
Sent: Thursday, February 18, 2021 9:15 AM
To: Robert Douglas <rdouglas@prioritypower.net>; skrein@ercot.com; lisa.sumruld@ercot.com; lricaud@ercot.com
Cc: Russell Schwertner <rschwertner@prioritypower.net>
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
Already finished.
Thanks!

KV

Keith M Vauquelin



Lone Star Logo, v02



Lone Star Demand Response, LLC, observes and enforces MNDA protocols in all communications, and asks the same of email recipients. Thank you.
Avast Anti Virus Logo



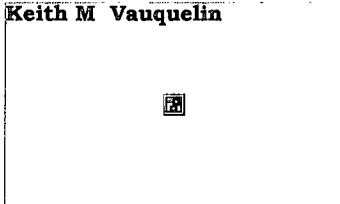
From: Robert Douglas <rdouglas@prioritypower.net>
Sent: Thursday, February 18, 2021 09:15
To: Support at Lone Star DR <keith@lonestardemandresponse.com>; skrein@ercot.com; lisa.sumruld@ercot.com; lricaud@ercot.com
Cc: Russell Schwertner <rschwertner@prioritypower.net>
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
Please forward the invite to the parties you want on the call.
Robert Douglas
rdouglas@prioritypower.net
408.375.0865

From: Support at Lone Star DR <keith@lonestardemandresponse.com>
Sent: Thursday, February 18, 2021 8:39 AM
To: Robert Douglas <rdouglas@prioritypower.net>; skrein@ercot.com; lisa.sumruld@ercot.com; lricaud@ercot.com
Cc: Russell Schwertner <rschwertner@prioritypower.net>
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
I want to be on the call. My counsel will be on the call, and we should have VESI on it as well.

Thanks!

KV

Keith M Vauquelin



Lone Star Logo, v02

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Avast Anti Virus Logo



From: Robert Douglas <rdouglas@prioritypower.net>

Sent: Thursday, February 18, 2021 08:36

To: skrein@ercot.com; lisa.sumruld@ercot.com; lricaud@ercot.com

Cc: Russell Schwertner <rschwertner@prioritypower.net>; Support at Lone Star DR <keith@lonestardemandresponse.com>

Subject: Re: PPM : LR Scheduling Conflict - Please Clarify

ERCOT Staff,

Do you have time to have a call at 9am this morning?

Best,

Robert

Sent from my iPhone

On Feb 17, 2021, at 7:18 PM, Robert Douglas <rdouglas@prioritypower.net> wrote:

Steve/Lisa,

As a follow up to my email earlier. Priority Power Management LLC (PPM)

PRIORITY POWER MANAGEMENT LLC (SQ1)

QPRIO1

1283863442100

and Lone Star Demand Response (LSDR), who outsources the QSE function to:

VIRIDITY ENERGY SOLUTIONS INC (QSE)

QVIRID

8304646602000

Have a disconnect when it pertains to Market Protocols and scheduling of Load Resources.

There are four customers (Diamondback, Concho, Crownquest, and Sabinal) under the Viridity QSE that we are transitioning (previously detailed to Steve) are to be scheduled at the direction of PPM. Post LR deployment, LSDR/Viridity has refused to schedule the bilateral trade that was in place at the time of deployment. LSDR/Viridity have continue to keep these customers curtailed without an obligation (via bilateral to PPM) or a market based offer. The obligation is to be scheduled to PPM under the bilateral agreement for RRS-NC. Per LSDR/Viridity, the customers are going on 48 hours of curtailment without a confirmed obligation to ERCOT.

Can you please confirm the following:

1. If these LR customers no longer have an obligation on their resource, they can restore load.
- or
2. LSDR can submit a bilateral transaction, which creates the obligation for the customer to remain curtailed.

Best,

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: Krein, Steve
To: Robert Douglas; Sumruld, Lisa; Ricaud, Leon
Cc: Russell Schwertner
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
Date: Thursday, February 18, 2021 8:57:00 AM
Attachments: image002.jpg

I can't do a call at 9 or 9:30. How about 10? I need for Client Services to be on the call if we're talking about a potential default or other legal issues.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Robert Douglas [mailto:rdouglas@prioritypower.net]

Sent: Thursday, February 18, 2021 8:36 AM

To: Krein, Steve <Steve.Krein@ercot.com>; Sumruld, Lisa <Lisa.Sumruld@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>

Cc: Russell Schwertner <rschwertner@prioritypower.net>; Support at Lone Star DR <keith@lonestardemandresponse.com>

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rdouglas@prioritypower.net

408.375.0865

From: Robert Douglas
To: Krein, Steve; Sumnuld, Lisa; Ricaud, Leon
Cc: Russell Schwertner; Support at Lone Star DR
Subject: Re: PPM : LR Scheduling Conflict - Please Clarify
Date: Thursday, February 18, 2021 8:36:31 AM

***** **EXTERNAL email.** Please be cautious and evaluate before you click on links, open attachments, or provide credentials.

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Best,
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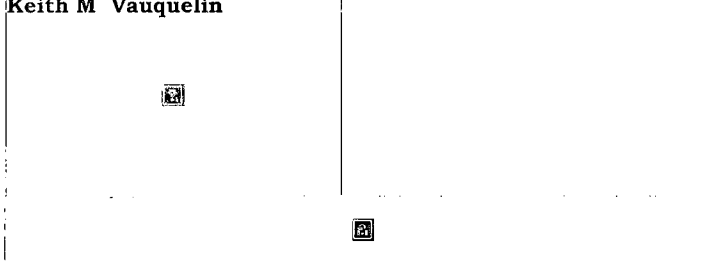
From: Support at Lone Star DR
To: Robert Douglas; Krein, Steve; Sumruld, Lisa; Ricaud, Leon
Cc: Russell Schwertner
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
Date: Thursday, February 18, 2021 8:39:55 AM
Attachments: image001.jpg
image002.png
image003.png

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I want to be on the call. My counsel will be on the call, and we should have VESI on it as well.
Thanks!

KV

Keith M Vauquelin



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Avast Anti Virus Logo



From: Robert Douglas <rdouglas@prioritypower.net>
Sent: Thursday, February 18, 2021 08:36
To: skrein@ercot.com; lisa.sumruld@ercot.com; lricaud@ercot.com
Cc: Russell Schwertner <rschwertner@prioritypower.net>; Support at Lone Star DR <keith@lonestardemandresponse.com>
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Robert Douglas
rdouglas@prioritypower.net
408.375.0865

From: Support at Lone Star DR
To: Robert Douglas; Krein, Steve; Sumruld, Lisa; Ricaud, Leon
Cc: Russell Schwertner; Clint Zettler; Mike Pavo; Jerry Winter
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
Date: Thursday, February 18, 2021 8:56:50 AM
Attachments: image001.jpg
image002.png
image003.png

***** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials.

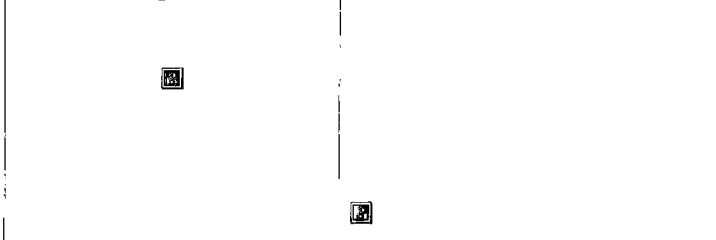
Robert:

- I have confirmed my counsel will be on the call.
Please send a meeting invite, and include Mike Pavo, and Jerry Winters of VESI.
They are aware of the proposed call with Steve Krein.

Thanks.

KV

Keith M Vauquelin



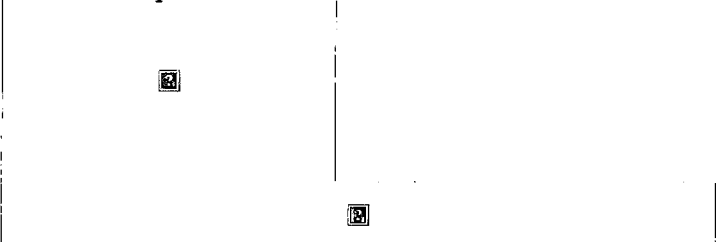
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Avast Anti Virus Logo



From: Support at Lone Star DR
Sent: Thursday, February 18, 2021 08:39
To: Robert Douglas <rdouglas@prioritypower.net>; skrein@ercot.com; lisa.sumruld@ercot.com; lricaud@ercot.com
Cc: Russell Schwertner <rschwertner@prioritypower.net>
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Thanks!

KV

Keith M Vauquelin



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To: skrein@ercot.com; lisa.sumruld@ercot.com; lricaud@ercot.com
Cc: Russell Schwertner <rschwertner@prioritypower.net>; Support at Lone Star DR <keith@lonestardemandresponse.com>
Subject: Re: PPM : LR Scheduling Conflict - Please Clarify
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Steve/Lisa,

As a follow up to my email earlier. Priority Power Management LLC (PPM)

PRIORITY POWER MANAGEMENT LLC (SQ1) QPRIO1 1283863442100

and Lone Star Demand Response (LSDR), who outsources the QSE function to:

VIRIDITY ENERGY SOLUTIONS INC (QSE) QVIRID 8304646602000

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rdouglas@prioritypower.net

408.375.0865


From: Robert Douglas
To: Krein, Steve; Sumruld, Lisa; Ricaud, Leon
Cc: Russell Schwertner
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
Date: Thursday, February 18, 2021 9:10:39 AM
Attachments: image002.jpg

***** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *****

I will schedule it for 10 am.

Robert Douglas
rdouglas@prioritypower.net
408.375.0865

From: Krein, Steve <Steve.Krein@ercot.com>
Sent: Thursday, February 18, 2021 8:57 AM
To: Robert Douglas <rdouglas@prioritypower.net>; Sumruld, Lisa <Lisa.Sumruld@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>
Cc: Russell Schwertner <rschwertner@prioritypower.net>
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
I can't do a call at 9 or 9:30. How about 10? I need for Client Services to be on the call if we're talking about a potential default or other legal issues.

| | |
|---|---|
|  | Steve Krein Demand Integration 2705 West Lake Drive Taylor, Austin 76574 O: 512-248-6830 M: 512-417-5742 |
|---|---|

From: Robert Douglas [<mailto:rdouglas@prioritypower.net>]
Sent: Thursday, February 18, 2021 8:36 AM
To: Krein, Steve <Steve.Krein@ercot.com>; Sumruld, Lisa <Lisa.Sumruld@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>
Cc: Russell Schwertner <rschwertner@prioritypower.net>; Support at Lone Star DR <keith@lonestardemandresponse.com>
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Cc: Russell Schwertner
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
Date: Thursday, February 18, 2021 9:14:50 AM
Attachments: image001.jpg
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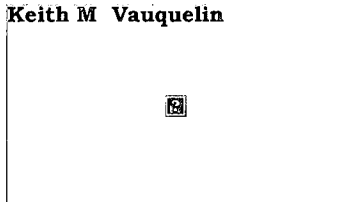
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Can you please confirm the following:

1. If these LR customers no longer have an obligation on their resource, they can restore load.
or
2. LSDR can submit a bilateral transaction, which creates the obligation for the customer to remain curtailed.

Best,

Robert Douglas

rdouglas@prioritypower.net

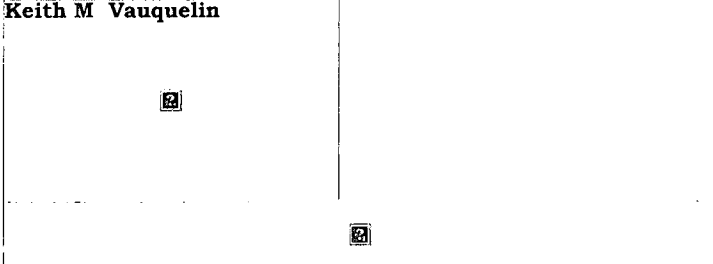
408.375.0865

From: [Support at Lone Star DR](#)
To: [Robert Douglas](#); [Krein, Steve](#); [Sumruld, Lisa](#); [Ricaud, Leon](#)
Cc: [Russell Schwertner](#)
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
Date: Thursday, February 18, 2021 9:15:31 AM
Attachments: [image001.jpg](#)
[image002.png](#)
[image003.png](#)

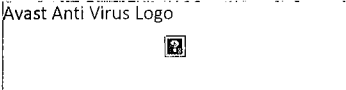
***** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *****

Already finished.
Thanks!

KV
Keith M Vauquelin



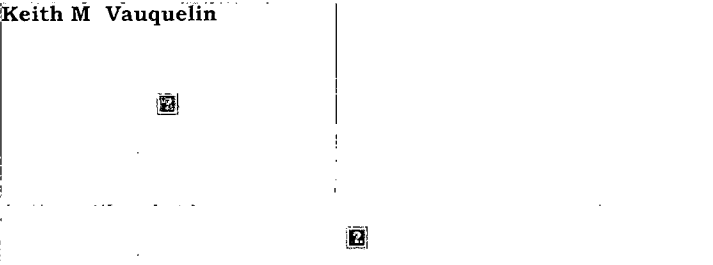
Lone Star Demand Response, LLC, observes and enforces MNDAs protocols in all communications, and asks the same of email recipients. Thank you.
Avast Anti Virus Logo



From: Robert Douglas <rdouglas@prioritypower.net>
Sent: Thursday, February 18, 2021 09:15
To: Support at Lone Star DR <keith@lonestardemandresponse.com>; skrein@ercot.com; lisa.sumruld@ercot.com; lricaud@ercot.com
Cc: Russell Schwertner <rschwertner@prioritypower.net>
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
Please forward the invite to the parties you want on the call.
Robert Douglas
rdouglas@prioritypower.net
408.375.0865

From: Support at Lone Star DR <keith@lonestardemandresponse.com>
Sent: Thursday, February 18, 2021 8:39 AM
To: Robert Douglas <rdouglas@prioritypower.net>; skrein@ercot.com; lisa.sumruld@ercot.com; lricaud@ercot.com
Cc: Russell Schwertner <rschwertner@prioritypower.net>
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
I want to be on the call. My counsel will be on the call, and we should have VESI on it as well.
Thanks!

KV
Keith M Vauquelin



Lone Star Demand Response, LLC, observes and enforces MNDAs protocols in all communications, and asks the same of email recipients. Thank you.
Avast Anti Virus Logo



From: Robert Douglas <rdouglas@prioritypower.net>
Sent: Thursday, February 18, 2021 08:36
To: skrein@ercot.com; lisa.sumruld@ercot.com; lricaud@ercot.com
Cc: Russell Schwertner <rschwertner@prioritypower.net>; Support at Lone Star DR <keith@lonestardemandresponse.com>

Subject: Re: PPM : LR Scheduling Conflict - Please Clarify
ERCOT Staff,
Do you have time to have a call at 9am this morning?
Best,
Robert

Sent from my iPhone

On Feb 17, 2021, at 7:18 PM, Robert Douglas <rdouglas@prioritypower.net> wrote:

Steve/Lisa,

As a follow up to my email earlier. Priority Power Management LLC (PPM)

PRIORITY POWER MANAGEMENT LLC (SQ1) **QPRIO1** **1283863442100**
and Lone Star Demand Response (LSDR), who outsources the QSE function to:

VIRIDITY ENERGY SOLUTIONS INC (QSE) **QVIRID** **8304646602000**

Have a disconnect when it pertains to Market Protocols and scheduling of Load Resources.

There are four customers (Diamondback, Concho, Crownquest, and Sabinal) under the Viridity QSE that we are transitioning (previously detailed to Steve) are to be scheduled at the direction of PPM. Post LR deployment, LSDR/Viridity has refused to schedule the bilateral trade that was in place at the time of deployment. LSDR/Viridity have continue to keep these customers curtailed without an obligation (via bilateral to PPM) or a market based offer. The obligation is to be scheduled to PPM under the bilateral agreement for RRS-NC. Per LSDR/Viridity, the customers are going on 48 hours of curtailment without a confirmed obligation to ERCOT.

Can you please confirm the following:

1. If these LR customers no longer have an obligation on their resource, they can restore load.
or
2. LSDR can submit a bilateral transaction, which creates the obligation for the customer to remain curtailed.

Best,
Robert Douglas
rdouglas@prioritypower.net
408.375.0865

From: [Patterson, Mark](#)
To: [Sumruld, Lisa](#); [Hunsucker, Brett](#)
Cc: [Krein, Steve](#); [Ricaud, Leon](#); [Ganjoo, Shalesh](#)
Subject: RE: PPM : Emergency QSE Transfer
Date: Friday, February 19, 2021 9:48:18 AM
Attachments: [image002.jpg](#)
[image003.jpg](#)

Thanks Lisa and no I was not suggesting you Client Services pursue some emergency approach to resolving this. The market participant just needed someone from ERCOT to respond and it should not be my team. Again thanks.

From: Sumruld, Lisa

Sent: Friday, February 19, 2021 9:44 AM

To: Patterson, Mark <Mark.Patterson@ercot.com>; Hunsucker, Brett <Brett.Hunsucker@ercot.com>

Cc: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>; Ganjoo, Shalesh <Shalesh.Ganjoo@ercot.com>

Subject: RE: PPM : Emergency QSE Transfer

Hello Mark,

I talked to Robert moments ago. They continue to look for ways to bring Viridity to perform as they perceived they agreed, or their logic dictates.

I offered moral support, but reiterated that we cannot force Viridity to follow the agreement to which we are not at all related or have authority to discuss.

I did offer to provide the information relevant to Emergency QSE status, and the timeline for moving Load Resources to another QSE as they reconsider the timeline they previously sought. He mentioned we encouraged them to spread things out to make it more comfortable for ERCOT and them on the registration update and telemetry fronts, but now they must reconsider a more aggressive schedule. I will include you all on that shortly.

We stand ready to assist with the protocol consultation and RE/QSE support, your team as well, we are not going to pursue any type of emergency timeline for Load Resources to change QSEs, if that was your expectations. Please let me know what else we can do to help.



Lisa A. Sumruld
ERCOT Client Services Manager
Office: 512-248-3951 Cell: 512-431-5790 lsumruld@ercot.com

From: Patterson, Mark

Sent: Friday, February 19, 2021 8:49 AM

To: Sumruld, Lisa <Lisa.Sumruld@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>; Hunsucker, Brett <Brett.Hunsucker@ercot.com>

Cc: Krein, Steve <Steve.Krein@ercot.com>

Subject: FW: PPM : Emergency QSE Transfer

Importance: High

All, is anyone working with PPM and Viridity to address this transfer? This keeps coming our way and we are not the SMEs to help them. PPM has been told these Permian basin loads will be allowed to return to service if the QSEs representing them will contact the control room and request to be released. The problem seems to be that Viridity has basically not cooperating with these loads that are in transition. This is a short email so if you need more information we can have an internal call or just call Steve or I.

From: Krein, Steve

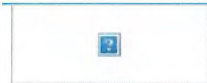
Sent: Friday, February 19, 2021 8:30 AM

To: Patterson, Mark <Mark.Patterson@ercot.com>

Subject: FW: PPM : Emergency QSE Transfer

Importance: High

We need to have an internal call with Client Services. Viridity as the current RE would need work with us to stop these LR's in their portfolio. We also will need to find out how quickly our modeling and SCADA teams could respond. There are about 30 LR's left to be moved.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Robert Douglas [<mailto:rdouglas@prioritypower.net>]

Sent: Friday, February 19, 2021 7:57 AM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>

Cc: John Bick <jbick@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Brandon Schwertner <bschwertner@prioritypower.net>; Jacob Magin <JMagin@Prioritypower.net>

Subject: PPM : Emergency QSE Transfer

Importance: High

***** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *****

Steve/Leon,

Good Morning. I would like to know if ERCOT can facilitate an Emergency QSE transfer of the assets on the attached spreadsheet. The current QSE will not facilitate the necessary market activity needed to represent these load resources in the market, which includes

failure to communicate with ERCOTs Control Room for Critical Assets (same list provided to Mark Patterson), which would help natural gas supply in the State of Texas.

Current QSE:

| | | |
|-------------------------------------|--------|---------------|
| VIRIDITY ENERGY SOLUTIONS INC (QSE) | QVIRID | 8304646602000 |
|-------------------------------------|--------|---------------|

New QSE:

| | | |
|-------------------------------------|--------|---------------|
| PRIORITY POWER MANAGEMENT LLC (SQ1) | QPRI01 | 1283863442100 |
|-------------------------------------|--------|---------------|

Steve – this is an extensive list, which we agreed to spread it out over several weeks. Unfortunately, due to the current refusal of Viridity to represent these resources have become stranded assets. I need you help to develop a plan to get these sites move ASAP.

RD

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: [Ricaud, Leon](#)
To: [Patterson, Mark](#); [Sumruld, Lisa](#); [Hunsucker, Brett](#); [Ganjoo, Shalesh](#)
Cc: [Krein, Steve](#)
Subject: RE: PPM : Emergency QSE Transfer
Date: Friday, February 19, 2021 8:54:46 AM
Attachments: [image001.jpg](#)
[image006.jpg](#)

I just saw this a few minutes ago, this RES is with Shalesh Ganjoo, the RES needs to initiate the request or the current QSE.

I'll communicate with Shalesh if he is available and then with Priority.

Thanks,



Leon Ricaud | Account Manager Sr.
2705 West Lake Drive | Taylor, TX 76574
Office: 512-248-6596 | Mobile: 512-627-2467

From: Patterson, Mark

Sent: Friday, February 19, 2021 8:49 AM

To: Sumruld, Lisa <Lisa.Sumruld@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>; Hunsucker, Brett <Brett.Hunsucker@ercot.com>

Cc: Krein, Steve <Steve.Krein@ercot.com>

Subject: FW: PPM : Emergency QSE Transfer

Importance: High

All, is anyone working with PPM and Viridity to address this transfer? This keeps coming our way and we are not the SMEs to help them. PPM has been told these Permian basin loads will be allowed to return to service if the QSEs representing them will contact the control room and request to be released. The problem seems to be that Viridity has basically not cooperating with these loads that are in transition. This is a short email so if you need more information we can have an internal call or just call Steve or I.

From: Krein, Steve

Sent: Friday, February 19, 2021 8:30 AM

To: Patterson, Mark <Mark.Patterson@ercot.com>

Subject: FW: PPM : Emergency QSE Transfer

Importance: High

We need to have an internal call with Client Services. Viridity as the current RE would need work with us to stop these LR's in their portfolio. We also will need to find out how quickly our modeling and SCADA teams could respond. There are about 30 LR's left to be moved.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Robert Douglas [<mailto:rdouglas@prioritypower.net>]

Sent: Friday, February 19, 2021 7:57 AM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>

Cc: John Bick <jbick@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Brandon Schwertner <bschwertner@prioritypower.net>; Jacob Magin <JMagin@Prioritypower.net>

Subject: PPM : Emergency QSE Transfer

Importance: High

**** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. ****

Steve/Leon,

Good Morning. I would like to know if ERCOT can facilitate an Emergency QSE transfer of the assets on the attached spreadsheet. The current QSE will not facilitate the necessary market activity needed to represent these load resources in the market, which includes failure to communicate with ERCOT's Control Room for Critical Assets (same list provided to Mark Patterson), which would help natural gas supply in the State of Texas.

Current QSE:

| | | |
|-------------------------------------|--------|---------------|
| VIRIDITY ENERGY SOLUTIONS INC (QSE) | QVIRID | 8304646602000 |
|-------------------------------------|--------|---------------|

New QSE:

| | | |
|-------------------------------------|--------|---------------|
| PRIORITY POWER MANAGEMENT LLC (SQ1) | QPRI01 | 1283863442100 |
|-------------------------------------|--------|---------------|

Steve – this is an extensive list, which we agreed to spread it out over several weeks. Unfortunately, due to the current refusal of Viridity to represent these resources have become stranded assets. I need you help to develop a plan to get these sites move ASAP.

RD

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: [Sumruld, Lisa](#)
To: [Patterson, Mark](#); [Hunsucker, Brett](#)
Cc: [Krein, Steve](#); [Ricaud, Leon](#); [Ganoo, Sharesh](#)
Subject: RE: PPM : Emergency QSE Transfer
Date: Friday, February 19, 2021 9:44:11 AM
Attachments: [image001.jpg](#)
[image006.jpg](#)

Hello Mark,

I talked to Robert moments ago. They continue to look for ways to bring Viridity to perform as they perceived they agreed, or their logic dictates.

I offered moral support, but reiterated that we cannot force Viridity to follow the agreement to which we are not at all related or have authority to discuss.

I did offer to provide the information relevant to Emergency QSE status, and the timeline for moving Load Resources to another QSE as they reconsider the timeline they previously sought. He mentioned we encouraged them to spread things out to make it more comfortable for ERCOT and them on the registration update and telemetry fronts, but now they must reconsider a more aggressive schedule. I will include you all on that shortly.

We stand ready to assist with the protocol consultation and RE/QSE support, your team as well, we are not going to pursue any type of emergency timeline for Load Resources to change QSEs, if that was your expectations. Please let me know what else we can do to help.



Lisa A. Sumruld
ERCOT Client Services Manager
Office: 512-248-3951 Cell: 512-431-5790 lsuruld@ercot.com

From: Patterson, Mark

Sent: Friday, February 19, 2021 8:49 AM

To: Sumruld, Lisa <Lisa.Sumruld@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>; Hunsucker, Brett <Brett.Hunsucker@ercot.com>

Cc: Krein, Steve <Steve.Krein@ercot.com>

Subject: FW: PPM : Emergency QSE Transfer

Importance: High

All, is anyone working with PPM and Viridity to address this transfer? This keeps coming our way and we are not the SMEs to help them. PPM has been told these Permian basin loads will be allowed to return to service if the QSEs representing them will contact the control room and request to be released. The problem seems to be that Viridity has basically not cooperating with these loads that are in transition. This is a short email so if you need more information we can have an internal call or just call Steve or I.

From: Krein, Steve

Sent: Friday, February 19, 2021 8:30 AM

To: Patterson, Mark <Mark.Patterson@ercot.com>

Subject: FW: PPM : Emergency QSE Transfer

Importance: High

We need to have an internal call with Client Services. Viridity as the current RE would need work with us to stop these LR's in their portfolio. We also will need to find out how quickly our modeling and SCADA teams could respond. There are about 30 LR's left to be moved.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Robert Douglas [<mailto:rdouglas@prioritypower.net>]

Sent: Friday, February 19, 2021 7:57 AM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>

Cc: John Bick <jbick@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Brandon Schwertner <bschwertner@prioritypower.net>; Jacob Magin <JMagin@Prioritypower.net>

Subject: PPM : Emergency QSE Transfer

Importance: High

***** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *****

Steve/Leon,

Good Morning. I would like to know if ERCOT can facilitate an Emergency QSE transfer of the assets on the attached spreadsheet. The current QSE will not facilitate the necessary market activity needed to represent these load resources in the market, which includes failure to communicate with ERCOT's Control Room for Critical Assets (same list provided to Mark Patterson), which would help natural gas supply in the State of Texas.

Current QSE:

| | | |
|-------------------------------------|--------|---------------|
| VIRIDITY ENERGY SOLUTIONS INC (QSE) | QVIRID | 8304646602000 |
|-------------------------------------|--------|---------------|

New QSE:

| | | |
|-------------------------------------|--------|---------------|
| PRIORITY POWER MANAGEMENT LLC (SQ1) | QPRIO1 | 1283863442100 |
|-------------------------------------|--------|---------------|

Steve – this is an extensive list, which we agreed to spread it out over several weeks. Unfortunately, due to the current refusal of Viridity

to represent these resources have become stranded assets. I need you help to develop a plan to get these sites move ASAP.

RD

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: [Krein, Steve](#)
To: [Ricaud, Leon](#); [Ganjoo, Shalesh](#)
Cc: [Sumruld, Lisa](#)
Subject: RE: PPM : Emergency QSE Transfer (Priority/Viridity?) Request from Priority to transfer on the next available DB load. (below).
Date: Friday, February 19, 2021 2:25:00 PM
Attachments: [2021 Mar-Apr LR Changes.xlsx](#)
[image001.jpg](#)
[image002.jpg](#)

We have been working on the list Robert sent to you and are trying to finish up the group that is supposed to go into the database load for 3/10. Robert wants to expedite this process for the remainder. They are concerned that Viridity is not being cooperative from several perspectives and they want to get this transfer of assets completed as soon as possible. Here is a list of the Load Resources along with a schedule to move them originally. There are still some questions that need to be answered for those going forward. Feel free to call me and we can discuss.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Ricaud, Leon

Sent: Friday, February 19, 2021 2:12 PM

To: Krein, Steve <Steve.Krein@ercot.com>; Ganjoo, Shalesh <Shalesh.Ganjoo@ercot.com>

Cc: Sumruld, Lisa <Lisa.Sumruld@ercot.com>

Subject: FW: PPM : Emergency QSE Transfer (Priority/Viridity?) Request from Priority to transfer on the next available DB load. (below).

Hi, Steve

I thought to send you this instead of first calling you so we are on the same page:

Are the loads on the attached (**and below**) that Robert Douglas wanted moved as soon as possible and subsequent correspondence with between Lisa and Mark the same that you are discussing with Russell about submitting corrected RARFS as soon as possible? Or different? Mark requested that we answer and that is fine with me but I am not sure where we are on this. If the RES entity was moving to another QSE it would be a simpler process but it does not look that way from what I see; and this is what I understand needs to happen and I am not sure where that is:

Viridity needs to submit a RARF with stop dates

Priority needs to submit a RARF (or LARF) with start dates

Any of this has been done or not needed?

If something to do with these submission, I **wanted to make sure I don't confuse them with anything different from you are informing them, especially with several of us involved.**

Based on what you know on these loads, what is the suggested answer from client services (me or Shalesh if to Viridity)?

Please call me and we can discuss or if this is what you already resolved working with Russell, I can inform Robert of that.

Thanks,



Leon Ricaud | Account Manager Sr.
2705 West Lake Drive | Taylor, TX 76574
Office: 512-248-6596 | Mobile: 512-627-2467

From: Robert Douglas [<mailto:rdouglas@prioritypower.net>]

Sent: Friday, February 19, 2021 1:28 PM

To: Sumruld, Lisa <Lisa.Sumruld@ercot.com>

Cc: Ganjoo, Shalesh <Shalesh.Ganjoo@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>

Subject: Re: PPM : Emergency QSE Transfer

**** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. ****

Lisa,

I need to move all these assets on the first available database load. Please tell me what database load ERCOT can accommodate.

Best,

RD

Sent from my iPhone

On Feb 19, 2021, at 10:09 AM, Robert Douglas <rdouglas@prioritypower.net> wrote:

Received. Reviewing.

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: Sumruld, Lisa <Lisa.Sumruld@ercot.com>

Sent: Friday, February 19, 2021 10:04 AM

To: Robert Douglas <rdouglas@prioritypower.net>

Cc: Ganjoo, Shalesh <Shalesh.Ganjoo@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>

Subject: FW: PPM : Emergency QSE Transfer

Robert,

This is the protocol language I mentioned that should be reviewed to consider if it applies.

There is not an accelerated process to move the Load Resources, but we can discuss your plans if needed, just let me or Shalesha know.

Thank you.

<image001.jpg>

Lisa A. Sumruld
ERCOT Client Services Manager
Office: 512-248-3951 Cell: 512-431-5790 lsuruld@ercot.com

Section 16: Registration and Qualification of Market Participants

(Dec 31, 2020 – docx – 171.4 KB)

16.2.6 Emergency Qualified Scheduling Entity

16.2.6.1 Designation as an Emergency Qualified Scheduling Entity or Virtual Qualified Scheduling Entity

- (1) A “Virtual QSE” is defined as an LSE or Resource Entity that has not qualified and been designated as an Emergency QSE, but has been designated by ERCOT to temporarily perform the responsibilities of a QSE.
- (2) If a QSE has given Notice of its intent to terminate its relationship with an LSE or Resource Entity, that LSE or Resource Entity, must, by noon on the fourth Business Day after the termination notice date, either:
 - (a) Designate a new QSE with such relationship to take effect on the Termination Date, or earlier if allowed by ERCOT; or
 - (b) Satisfy all necessary creditworthiness requirements for QSEs as described in Section 16.2, Registration and Qualification of Qualified Scheduling Entities, and operate as an Emergency QSE as described below.
- (3) If ERCOT has given Notice of an LSE’s or Resource Entity’s QSE’s termination or suspension, that LSE or Resource Entity will be designated as a Virtual QSE for up to two Bank Business Days, during which time it must either:
 - (a) Designate and begin operations with a new QSE; or
 - (b) Satisfy all necessary creditworthiness requirements for QSEs as described in Section 16.2, and operate as an Emergency QSE as described below. As provided in paragraph (2) of Section 16.2.5, Suspended or Terminated Qualified Scheduling Entity – Notification to LSEs and Resource Entities Represented, this option does not apply to an LSE or Resource Entity represented by a terminated or suspended QSE that is the same Entity as the terminated or suspended QSE.
- (4) If an LSE or Resource Entity meets the creditworthiness requirements, the LSE or Resource Entity may be designated as an Emergency QSE except as provided in paragraph (2) of Section 16.2.5 and may, upon the Termination Date, be issued Digital Certificates and given access to the Market Information System (MIS) as determined by ERCOT.
- (5) If the LSE fails to meet the requirements of one of the above options in the timeframe set forth above, it shall constitute a QSE Affiliation Breach under the LSE’s Standard Form Market Participant Agreement. If the LSE fails to cure the QSE Affiliation Breach within the cure period set forth in the Standard Form Market Participant Agreement, and the LSE serves Load, ERCOT shall, after notice as specified in Retail Market Guide Section 7.11, Transition Process, initiate a Mass Transition of the LSE’s Electronic Service Identifiers (ESI IDs) pursuant to Section 15.1.3, Transition Process.
- (6) If a Resource Entity fails to meet the requirements of one of the options set forth in paragraph (2) or (3) above within the requisite timeframe, it shall constitute a QSE Affiliation Breach under the Resource Entity’s Standard Form Market Participant Agreement, provided that ERCOT may allow the Resource Entity additional time, as determined by ERCOT staff, to meet the requirements.
- (7) For any Operating Day in which an LSE or Resource Entity is not either represented by a QSE or qualified as an Emergency QSE, ERCOT may designate the LSE or Resource Entity as a Virtual QSE. ERCOT may issue Digital Certificates to the Virtual QSE for access to the capabilities of the MIS. A Virtual QSE shall be liable for any and all charges associated with Initial, Final and True-Up Settlements as well as any Resettlements applying to dates during which the Virtual QSE represented ESI IDs or otherwise incurred charges pursuant to these Protocols, along with any and all costs incurred by ERCOT in collecting such amounts.
- (8) ERCOT shall maintain a referral list of qualified QSEs on the ERCOT website who request to be listed as providing QSE services on short notice. The list shall include the QSE’s name, contact information and whether they are qualified to represent Load and/or Resources and/or provide Ancillary Services. ERCOT shall not be obligated to verify the abilities of any QSE so listed. ERCOT shall require all QSEs listed to confirm their inclusion on the referral list no later than the start of each calendar year.

16.2.6.2 Market Participation by an Emergency Qualified Scheduling Entity or a Virtual Qualified Scheduling Entity

- (1) An Emergency QSE or a Virtual QSE may only represent itself; it may not represent another legal Entity.
- (2) An Emergency QSE or a Virtual QSE that is also an LSE may only submit the following transactions, and may do so only to the extent that the transactions are intended to serve the Load of the Emergency QSE’s or Virtual QSE’s

Customers:

- (a) Energy Trades in which the Emergency QSE or the Virtual QSE is the buyer;
- (b) Capacity Trades in which the Emergency QSE or the Virtual QSE is the buyer;
- (c) Ancillary Service Trades in which the Emergency QSE or the Virtual QSE is the buyer; and
- (d) DAM Energy Bids.

(3) An Emergency QSE or a Virtual QSE that is also a Resource Entity may only submit transactions that are directly attributable to and wholly provided by the Resource Entity's Resource(s).

16.2.6.3 Requirement to Obtain New Qualified Scheduling Entity or Qualified Scheduling Entity Qualification

(1) Within seven Business Days after receiving designation as an Emergency QSE, an Emergency QSE must either:

- (a) Designate a QSE that will represent the LSE or Resource Entity to ERCOT; or
- (b) Fulfill all QSE registration and qualification requirements. After completing the requirements in item (b), ERCOT may redesignate the Emergency QSE as a QSE.

(2) If an Emergency QSE that is an LSE fails to meet at least one of the requirements listed above within the allotted time, then ERCOT shall, after notice as specified in Retail Market Guide Section 7.1.1, Transition Process, initiate a Mass Transition of the LSE's ESI IDs pursuant to Section 15.1.3, Transition Process. If an Emergency QSE that is a Resource Entity fails to meet at least one of the requirements listed above within the allotted time, ERCOT may allow the Resource Entity additional time, as determined by ERCOT staff, to meet the requirements.

From: Robert Douglas [mailto:rdouglas@prioritypower.net]

Sent: Friday, February 19, 2021 7:57 AM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>

Cc: John Bick <jbick@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Brandon Schwertner <bschwertner@prioritypower.net>; Jacob Magin <JMagin@Prioritypower.net>

Subject: PPM : Emergency QSE Transfer

Importance: High

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Steve/Leon,

Good Morning. I would like to know if ERCOT can facilitate an Emergency QSE transfer of the assets on the attached spreadsheet. The current QSE will not facilitate the necessary market activity needed to represent these load resources in the market, which includes failure to communicate with ERCOT's Control Room for Critical Assets (same list provided to Mark Patterson), which would help natural gas supply in the State of Texas.

Current QSE:

| | | |
|-------------------------------------|--------|---------------|
| VIRIDITY ENERGY SOLUTIONS INC (QSE) | QVIRID | 8304646602000 |
|-------------------------------------|--------|---------------|

New QSE:

| | | |
|-------------------------------------|--------|---------------|
| PRIORITY POWER MANAGEMENT LLC (SQ1) | QPRI01 | 1283863442100 |
|-------------------------------------|--------|---------------|

Steve – this is an extensive list, which we agreed to spread it out over several weeks. Unfortunately, due to the current refusal of Viridity to represent these resources have become stranded assets. I need you help to develop a plan to get these sites move ASAP.

RD

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: [Orr, Rob](#)
To: [Patterson, Mark](#); [Hartmann, Jimmy](#); [Woodfin, Dan](#)
Cc: [Krein, Steve](#)
Subject: Re: Permian Basin Petroleum Association Question
Date: Thursday, February 18, 2021 4:30:20 PM
Attachments: [image001.png](#)

Thanks so much Mark. I've let PUC know

Rob Orr
Government Relations Manager
ERCOT
Desk: (512) 225-7011
Cell: (512) 413-0671
rob.orr@ercot.com
Follow ERCOT on twitter
http://twitter.com/ercot_iso

From: Patterson, Mark <Mark.Patterson@ercot.com>
Sent: Thursday, February 18, 2021 4:26 PM
To: Orr, Rob <Rob.Orr@ercot.com>; Hartmann, Jimmy <Jimmy.Hartmann@ercot.com>; Woodfin, Dan <Dan.Woodfin@ercot.com>
Cc: Krein, Steve <Steve.Krein@ercot.com>
Subject: RE: Permian Basin Petroleum Association Question
Looks like this is getting resolved. The QSEs representing these loads have been instructed to contact the ERCOT control room and request permission to return to service. The control room (Jerry) communicated to me they will grant their request.

From: Orr, Rob
Sent: Thursday, February 18, 2021 3:20 PM
To: Hartmann, Jimmy <Jimmy.Hartmann@ercot.com>; Woodfin, Dan <Dan.Woodfin@ercot.com>
Cc: Krein, Steve <Steve.Krein@ercot.com>; Patterson, Mark <Mark.Patterson@ercot.com>
Subject: Fw: Permian Basin Petroleum Association Question
Here's what chuck sent us can y'all give us any insight into this for PUC staff:
Howdy Lindsey and Rob,
I just got off the phone with Michael Lozano who represents the Permian Basin Petroleum Association. He states that an operator with CrownQuest was told by a representative from ERCOT (Steve Krein (sp?)), that they were not allowed to come up on the grid as of yet.
Not sure how factual any of this is but thought I'd run it through you to verify since these issues are high-vis.
Thanks,
Chuck
Rob Orr
Government Relations Manager
ERCOT
Desk: (512) 225-7011
Cell: (512) 413-0671

rob.orr@ercot.com

Follow ERCOT on twitter

http://twitter.com/ercot_iso

From: Bondurant, Chuck <Chuck.Bondurant@puc.texas.gov>

Sent: Thursday, February 18, 2021 3:05 PM

To: Orr, Rob <Rob.Orr@ercot.com>; Hughes, Lindsey <Lindsey.Hughes@ercot.com>

Cc: therese harris <therese.harris@puc.texas.gov>

Subject: Permian Basin Petroleum Association Question

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

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Not sure how factual any of this is but thought I'd run it through you to verify since these issues are high-vis.

Thanks,

Chuck



Charles "Chuck" Bondurant

**Director, Critical Infrastructure Security and Risk
Management (CISRM)**

Public Utility Commission of Texas

W: (512)936-7280 | chuck.bondurant@puc.texas.gov

From: [Patterson, Mark](#)
To: [Orr, Rob](#); [Hartmann, Jimmy](#); [Woodfin, Dan](#)
Cc: [Krein, Steve](#)
Subject: RE: Permian Basin Petroleum Association Question
Date: Thursday, February 18, 2021 4:26:53 PM
Attachments: [image001.png](#)

Looks like this is getting resolved. The QSEs representing these loads have been instructed to contact the ERCOT control room and request permission to return to service. The control room (Jerry) communicated to me they will grant their request.

From: Orr, Rob

Sent: Thursday, February 18, 2021 3:20 PM

To: Hartmann, Jimmy <Jimmy.Hartmann@ercot.com>; Woodfin, Dan <Dan.Woodfin@ercot.com>

Cc: Krein, Steve <Steve.Krein@ercot.com>; Patterson, Mark <Mark.Patterson@ercot.com>

Subject: Fw: Permian Basin Petroleum Association Question

Here's what chuck sent us can y'all give us any insight into this for PUC staff:

Howdy Lindsey and Rob,

I just got off the phone with Michael Lozano who represents the Permian Basin Petroleum Association. He states that an operator with CrownQuest was told by a representative from ERCOT (Steve Krein (sp?)), that they were not allowed to come up on the grid as of yet. Not sure how factual any of this is but thought I'd run it through you to verify since these issues are high-vis.

Thanks,

Chuck

Rob Orr

Government Relations Manager

ERCOT

Desk: (512) 225-7011

Cell: (512) 413-0671

rob.orr@ercot.com

Follow ERCOT on twitter

http://twitter.com/ercot_iso

From: Bondurant, Chuck <Chuck.Bondurant@puc.texas.gov>

Sent: Thursday, February 18, 2021 3:05 PM

To: Orr, Rob <Rob.Orr@ercot.com>; Hughes, Lindsey <Lindsey.Hughes@ercot.com>

Cc: therese harris <therese.harris@puc.texas.gov>

Subject: Permian Basin Petroleum Association Question

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Howdy Lindsey and Rob,

I just got off the phone with Michael Lozano who represents the Permian Basin Petroleum Association. He states that an operator with CrownQuest was told by a representative from ERCOT (Steve Krein (sp?)), that they were not allowed to come up on the grid as of yet.

Not sure how factual any of this is but thought I'd run it through you to verify since these issues are high-vis.

Thanks,
Chuck



Charles “Chuck” Bondurant
Director, Critical Infrastructure Security and Risk
Management (CISRM)
Public Utility Commission of Texas
W: (512)936-7280 | chuck.bondurant@puc.texas.gov

From: [Patterson, Mark](#)
To: [John Bick](#); [Krein, Steve](#); [Ricaud, Leon](#); [Kane, Erika](#)
Cc: [Ryan Wamsley](#); [Robert Douglas](#); [Russell Schwertner](#); [Keith M. Vauquelin - Lone Star Demand Response \(keith@lonestardemandresponse.com\)](#)
Subject: RE: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)
Date: Thursday, February 18, 2021 3:06:45 PM

Yes, please set up a call. I have talked to the control room and they will not provide PPM a waiver to continue to run their assets.

From: John Bick [mailto:jbick@prioritypower.net]

Sent: Thursday, February 18, 2021 2:41 PM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>; Patterson, Mark <Mark.Patterson@ercot.com>

Cc: Ryan Wamsley <rwamsley@diamondbackenergy.com>; Robert Douglas <rdouglas@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Keith M. Vauquelin - Lone Star Demand Response (keith@lonestardemandresponse.com) <keith@lonestardemandresponse.com>

Subject: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)

Importance: High

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

ERCOT,

Based on our call this morning, and ERCOT stating that the LSDR/VESI LR assets could restore load, we communicated that message to the customers. These customers began to bring load back on the system.

Now, we have received notification via a phone call from Steve Krein that the LR assets that were deployed on 02/15 should remain down.

This is very problematic. Diamondback specifically (***Ryan Wamsley from DBE cc'd herein***) has had an army of people in the field bringing these assets back up. They have already brought back on line a significant portion of load, and have already nominated natural gas into pipelines under commercial agreements that are essentially take or pay.

Diamondback Energy is requesting a call today to understand why there was a change in the ERCOT position. And to get a waiver to allow them to continue to run their assets.

Please let us know if we can get a call set up ASAP>

John J. Bick | Managing Principal

Please note our new address:

Priority Power Management LLC | *Your Trusted Energy Advisor*

2201 E. Lamar Blvd., Suite 275 | Arlington, TX 76006

T 972.314.9040 | F 817.887.0866 | C 817.994.2285

jbick@prioritypower.net | www.prioritypower.net

From: [Patterson, Mark](#)
To: [Krein, Steve](#)
Subject: RE: Confirmation of our Instructions to Priority Power Management QSE
Date: Thursday, February 18, 2021 2:46:34 PM
Attachments: [image001.jpg](#)

Is stop providing RRS the right term of until recalled?

From: Krein, Steve

Sent: Thursday, February 18, 2021 2:39 PM

To: Patterson, Mark <Mark.Patterson@ercot.com>

Subject: Confirmation of our Instructions to Priority Power Management QSE

Here is a draft of an email I plan to send to Robert Douglas pending your comments.

Based on Protocol Section 6.5.7.6.2.2 (8), ERCOT's expectation is that LRs are to remain deployed until instructed by ERCOT to stop providing RRS.

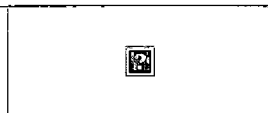


Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Krein, Steve
To: Patterson, Mark
Subject: RE: Confirmation of our Instructions to Priority Power Management QSE
Date: Thursday, February 18, 2021 3:01:00 PM
Attachments: [image001.jpg](#)
[image004.jpg](#)

Sorry to pester you about this, but I want to make sure I have something that we both agree is okay to put in an email.

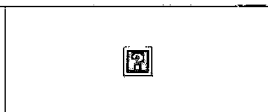
Protocol Section 6.5.7.6.2.2 (8) states that "Once RRS is deployed, the QSE's obligation to deliver RRS remains in effect until specifically instructed by ERCOT to stop providing RRS." ERCOT's expectation is that LR's are to remain deployed until ERCOT issues a recall instruction for RRS.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Patterson, Mark
Sent: Thursday, February 18, 2021 2:47 PM
To: Krein, Steve <Steve.Krein@ercot.com>
Subject: RE: Confirmation of our Instructions to Priority Power Management QSE
Is stop providing RRS the right term of until recalled?

From: Krein, Steve
Sent: Thursday, February 18, 2021 2:39 PM
To: Patterson, Mark <Mark.Patterson@ercot.com>
Subject: Confirmation of our Instructions to Priority Power Management QSE
Here is a draft of an email I plan to send to Robert Douglas pending your comments.
Protocol Section 6.5.7.6.2.2 (8) states that a QSE's obligation to deliver RRS remains in effect until specifically instructed by ERCOT to stop providing RRS. ERCOT's expectation is that LR's are to remain deployed until ERCOT issues a recall instruction for RRS.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: [Patterson, Mark](#)
To: [Krein, Steve](#)
Subject: RE: Calls to Viridity and Priority Power Management
Date: Thursday, February 18, 2021 2:45:44 PM
Attachments: [image002.jpg](#)

I would amend your response that the QSE would need to call the control room, not the end use customer.

From: Krein, Steve

Sent: Thursday, February 18, 2021 2:33 PM

To: Patterson, Mark <Mark.Patterson@ercot.com>

Subject: Calls to Viridity and Priority Power Management

I called Mike Pavo at Viridity Energy Solutions. He said he understood but they will need to call their customers back to revise their earlier instructions.

Also called Russ Schwertner at Priority Management. He said they will need to call their customers back to revise their earlier instructions. Robert Douglas just called back and wants an email confirming this conversation.

My message was pretty short and consisted of the following:

Based on Protocol Section 6.5.7.6.2.2 (8), ERCOTs expectation is that LR's are to remain deployed until instructed to stop providing RRS. If the end use customers have specific concerns about health and safety or potential damage to their equipment, they will need to call the control room to get an exception to this requirement.



Steve Krein

Demand Integration

2705 West Lake Drive

Taylor, Austin 76574

O: 512-248-6830 | M: 512-417-5742

From: Robert Douglas
To: Krein, Steve; Ricard, Leon
Cc: John Bick; Russell Schwertner; Brandon Schwertner; Jacob Magin
Subject: PPM : Emergency QSE Transfer
Date: Friday, February 19, 2021 7:58:34 AM
Attachments: LSPR and PPM transition schedule 2.8.21.xlsx
Importance: High

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Steve/Leon,

Good Morning. I would like to know if ERCOT can facilitate an Emergency QSE transfer of the assets on the attached spreadsheet. The current QSE will not facilitate the necessary market activity needed to represent these load resources in the market, which includes failure to communicate with ERCOTs Control Room for Critical Assets (same list provided to Mark Patterson), which would help natural gas supply in the State of Texas.

Current QSE:

| | | |
|-------------------------------------|--------|---------------|
| VIRIDITY ENERGY SOLUTIONS INC (QSE) | QVIRID | 8304646602000 |
|-------------------------------------|--------|---------------|

New QSE:

| | | |
|-------------------------------------|--------|---------------|
| PRIORITY POWER MANAGEMENT LLC (SQ1) | QPRI01 | 1283863442100 |
|-------------------------------------|--------|---------------|

Steve – this is an extensive list, which we agreed to spread it out over several weeks. Unfortunately, due to the current refusal of Viridity to represent these resources have become stranded assets. I need you help to develop a plan to get these sites move ASAP.

RD

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: Krein, Steve
To: Robert Douglas
Subject: Meeting Forward Notification: PPM: LR Scheduling Conflict (Call w/ ERCOT)

Your meeting was forwarded

Krein, Steve <mailto:/o=ExchangeLabs/ou=Exchange%20Administrative%20Group%20(FYDIBOHF23SPDLT)/cn=Recipients/cn=17a376feb77b4c62a3c84986300873f6-Krein,%20Stev> has forwarded your meeting request to additional people.

Meeting

PPM: LR Scheduling Conflict (Call w/ ERCOT)

Meeting Time

Thursday, February 18, 2021 10:00 AM - Thursday, February 18, 2021 11:00 AM

Recipients

Patterson, Mark
<mailto:/O=EXCHANGELABS/OU=EXCHANGE%20ADMINISTRATIVE%20GROUP%20(FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=8200F8DE26E2416DAF591290BE0AE8C8-PATTERSON,>

All times listed are in the following time zone: (UTC-06:00) Central Time (US & Canada)

From: [Mike Pavo](#)
To: [Krein, Steve](#); [Patterson, Mark](#)
Cc: [Jerry Winter](#)
Subject: LR Resources
Date: Thursday, February 18, 2021 10:33:24 AM

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Steve/Mark

Thank you for the call.

Just to clarify our understanding of the answers to one question:

1. Load resources which carried obligations on 2/15 and were deployed, and have no ERCOT RRS obligation for 2/16-2/18, have the option to begin to restore load?

Best Regards,

Mike Pavo

Head of Operations

Viridity Energy Solutions Inc - An ORMAT Company

www.viridityenergy.com

Office: [267-507-9041](tel:267-507-9041)

24 Hour: [484-474-5350](tel:484-474-5350)

From: Krein, Steve on behalf of Robert Douglas
To: Patterson, Mark; Krein, Steve; Russell Schwertner; Jacob Magin; Amanda Mussalli; Support at Lone Star DR; Clint Zettle; Sumruld, Lisa; Ricaud, Leon; John Bick
Subject: FW: PPM: LR Scheduling Conflict (Call w/ ERCOT)

-----Original Appointment-----

From: Robert Douglas [mailto:rdouglas@prioritypower.net]
Sent: Thursday, February 18, 2021 9:14 AM
To: Robert Douglas; Krein, Steve; Russell Schwertner; Jacob Magin; Amanda Mussalli; Support at Lone Star DR; Clint Zettle; Sumruld, Lisa; Ricaud, Leon; John Bick
Subject: PPM: LR Scheduling Conflict (Call w/ ERCOT)
When: Thursday, February 18, 2021 10:00 AM-11:00 AM (UTC-06:00) Central Time (US & Canada).
Where: Microsoft Teams Meeting

***** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *****

Microsoft Teams meeting

Join on your computer or mobile app

Click here to join the meeting <[https://urldefense.com/v3/__https://teams.microsoft.com/j/!meetup-join/19*3ameeting_NTA3MmU3M2MtND44Zi00N2ExLWjyMWEtNDU4MzBIZDY2ZDk5*40thread.v2/0?context=*7b*22Tid*22*3a*2225c02c22-9c2e-4cd9-95fc-6ad2c059a24c*22*2c*220id*22*3a*226c96e0dc-a9ff-48f3-b299-81e94c52ec02*22*7d__JSUIJSUIJSUIJSUIJSUI!Ojd1I5wBFw!7zIsMaa06cxkmtPWleM7IdeAa0LvvlFVTm3PL1kMEmlMglTLrxHD7eCYB!7ZG-D\\$>](https://urldefense.com/v3/__https://teams.microsoft.com/j/!meetup-join/19*3ameeting_NTA3MmU3M2MtND44Zi00N2ExLWjyMWEtNDU4MzBIZDY2ZDk5*40thread.v2/0?context=*7b*22Tid*22*3a*2225c02c22-9c2e-4cd9-95fc-6ad2c059a24c*22*2c*220id*22*3a*226c96e0dc-a9ff-48f3-b299-81e94c52ec02*22*7d__JSUIJSUIJSUIJSUIJSUI!Ojd1I5wBFw!7zIsMaa06cxkmtPWleM7IdeAa0LvvlFVTm3PL1kMEmlMglTLrxHD7eCYB!7ZG-D$>)>

Or call in (audio only)

+1 469-965-2426,,108190988# <tel:+14699652426,,108190988#> United States, Dallas

Phone Conference ID: 108 190 988#

Find a local number <[https://urldefense.com/v3/__https://dialin.teams.microsoft.com/f5179871-f3af-4750-a1be-7de57358ab85?id=108190988__!Ojd1I5wBFw!7zIsMaa06cxkmtPWleM7IdeAa0LvvlFVTm3PL1kMEmlMglTLrxHD7eCYNRJ-JYo\\$>|Reset PIN](https://urldefense.com/v3/__https://dialin.teams.microsoft.com/f5179871-f3af-4750-a1be-7de57358ab85?id=108190988__!Ojd1I5wBFw!7zIsMaa06cxkmtPWleM7IdeAa0LvvlFVTm3PL1kMEmlMglTLrxHD7eCYNRJ-JYo$>|Reset PIN)>
<[https://urldefense.com/v3/__https://mysettings.lync.com/pstnconferencing__!Ojd1I5wBFw!7zIsMaa06cxkmtPWleM7IdeAa0LvvlFVTm3PL1kMEmlMglTLrxHD7eCYPgSlosC\\$>](https://urldefense.com/v3/__https://mysettings.lync.com/pstnconferencing__!Ojd1I5wBFw!7zIsMaa06cxkmtPWleM7IdeAa0LvvlFVTm3PL1kMEmlMglTLrxHD7eCYPgSlosC$>)>

Learn More

<[https://urldefense.com/v3/__https://aka.ms/JoinTeamsMeeting__!Ojd1I5wBFw!7zIsMaa06cxkmtPWleM7IdeAa0LvvlFVTm3PL1kMEmlMglTLrxHD7eCYMnW7A0O\\$>|Meeting options](https://urldefense.com/v3/__https://aka.ms/JoinTeamsMeeting__!Ojd1I5wBFw!7zIsMaa06cxkmtPWleM7IdeAa0LvvlFVTm3PL1kMEmlMglTLrxHD7eCYMnW7A0O$>|Meeting options)> <[https://urldefense.com/v3/__https://teams.microsoft.com/meetingOptions/?organizerId=6c96e0dc-a9ff-48f3-b299-81e94c52ec02&tenantId=25c02c22-9c2e-4cd9-95fc-6ad2c059a24c&threadId=19_meeting_NTA3MmU3M2MtND44Zi00N2ExLWjyMWEtNDU4MzBIZDY2ZDk5@thread.v2&messageId=0&language=en-US__!Ojd1I5wBFw!7zIsMaa06cxkmtPWleM7IdeAa0LvvlFVTm3PL1kMEmlMglTLrxHD7eCYGfWliI2\\$>](https://urldefense.com/v3/__https://teams.microsoft.com/meetingOptions/?organizerId=6c96e0dc-a9ff-48f3-b299-81e94c52ec02&tenantId=25c02c22-9c2e-4cd9-95fc-6ad2c059a24c&threadId=19_meeting_NTA3MmU3M2MtND44Zi00N2ExLWjyMWEtNDU4MzBIZDY2ZDk5@thread.v2&messageId=0&language=en-US__!Ojd1I5wBFw!7zIsMaa06cxkmtPWleM7IdeAa0LvvlFVTm3PL1kMEmlMglTLrxHD7eCYGfWliI2$>)>

From: Krein, Steve
To: Patterson, Mark
Subject: FW: PPM : LR Scheduling Conflict - Please Clarify
Date: Thursday, February 18, 2021 9:55:00 AM
Attachments: [image001.jpg](#)
[image002.png](#)
[image003.png](#)
[PPM.LSDR.ERCOT.2.18.21.docx](#)
[image005.jpg](#)



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Robert Douglas [mailto:rdouglas@prioritypower.net]
Sent: Thursday, February 18, 2021 9:45 AM
To: Support at Lone Star DR <keith@lonestardemandresponse.com>; Krein, Steve <Steve.Krein@ercot.com>; Sumruld, Lisa <Lisa.Sumruld@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>
Cc: Russell Schwertner <rschwertner@prioritypower.net>; Amanda Mussalli <amanda@mussallilaw.com>; Clint Zettle <Zettle@brocklegal.com>
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify

***** **EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials.** *****

See the attached for an overview.

Robert Douglas
rdouglas@prioritypower.net
408.375.0865

From: Support at Lone Star DR <keith@lonestardemandresponse.com>
Sent: Thursday, February 18, 2021 9:15 AM
To: Robert Douglas <rdouglas@prioritypower.net>; skrein@ercot.com; lisa.sumruld@ercot.com; lricaud@ercot.com
Cc: Russell Schwertner <rschwertner@prioritypower.net>
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
Already finished.

Thanks!

KV

Keith M Vauquelin



Lone Star Logo, v02



Lone Star Demand Response, LLC, observes and enforces MNDA protocols in all communications, and asks the same of email recipients. Thank you.

Avast Anti Virus Logo



From: Robert Douglas <rdouglas@prioritypower.net>
Sent: Thursday, February 18, 2021 09:15
To: Support at Lone Star DR <keith@lonestardemandresponse.com>; skrein@ercot.com; lisa.sumruld@ercot.com; lricaud@ercot.com
Cc: Russell Schwertner <rschwertner@prioritypower.net>
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
Please forward the invite to the parties you want on the call.
Robert Douglas
rdouglas@prioritypower.net
408.375.0865

From: Support at Lone Star DR <keith@lonestardemandresponse.com>
Sent: Thursday, February 18, 2021 8:39 AM
To: Robert Douglas <rdouglas@prioritypower.net>; skrein@ercot.com; lisa.sumruld@ercot.com; lricaud@ercot.com
Cc: Russell Schwertner <rschwertner@prioritypower.net>
Subject: RE: PPM : LR Scheduling Conflict - Please Clarify
I want to be on the call. My counsel will be on the call, and we should have VESI on it as well.
Thanks!

KV

Keith M Vauquelin



Lone Star Logo, v02



Lone Star Demand Response, LLC, observes and enforces MNDA protocols in all communications, and asks the same of email recipients. Thank you.

Avast Anti Virus Logo



From: Robert Douglas <rdouglas@prioritypower.net>

Sent: Thursday, February 18, 2021 08:36

To: skrein@ercot.com; lisa.sumruld@ercot.com; lrcaud@ercot.com

Cc: Russell Schwertner <rschwertner@prioritypower.net>; Support at Lone Star DR <keith@lonestardemandresponse.com>

Subject: Re: PPM : LR Scheduling Conflict - Please Clarify

ERCOT Staff,

Do you have time to have a call at 9am this morning?

Best,

Robert

Sent from my iPhone

On Feb 17, 2021, at 7:18 PM, Robert Douglas <rdouglas@prioritypower.net> wrote:

Steve/Lisa,

As a follow up to my email earlier. Priority Power Management LLC (PPM)

PRIORITY POWER MANAGEMENT LLC (SQ1)

QPRIO1

1283863442100

and Lone Star Demand Response (LSDR), who outsources the QSE function to:

VIRIDITY ENERGY SOLUTIONS INC (QSE)

QVIRID

8304646602000

Have a disconnect when it pertains to Market Protocols and scheduling of Load Resources.

There are four customers (Diamondback, Concho, Crownquest, and Sabinal) under the Viridity QSE that we are transitioning (previously detailed to Steve) are to be scheduled at the direction of PPM. Post LR deployment, LSDR/Viridity has refused to schedule the bilateral trade that was in place at the time of deployment. LSDR/Viridity have continue to keep these customers curtailed without an obligation (via bilateral to PPM) or a market based offer. The obligation is to be scheduled to PPM under the bilateral agreement for RRS-NC. Per LSDR/Viridity, the customers are going on 48 hours of curtailment without a confirmed obligation to ERCOT.

Can you please confirm the following:

1. If these LR customers no longer have an obligation on their resource, they can restore load.
- or
2. LSDR can submit a bilateral transaction, which creates the obligation for the customer to remain curtailed.

Best,

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: [Patterson, Mark](#)
To: [Sumruld, Lisa](#); [Ricaud, Leon](#); [Hunsucker, Brett](#)
Cc: [Krein, Steve](#)
Subject: FW: PPM : Emergency QSE Transfer
Date: Friday, February 19, 2021 8:49:00 AM
Attachments: [LSDR and PPM transition schedule 2.8.21.xlsx](#)
[image001.jpg](#)
Importance: High

All, is anyone working with PPM and Viridity to address this transfer? This keeps coming our way and we are not the SMEs to help them. PPM has been told these Permian basin loads will be allowed to return to service if the QSEs representing them will contact the control room and request to be released. The problem seems to be that Viridity has basically not cooperating with these loads that are in transition. This is a short email so if you need more information we can have an internal call or just call Steve or I.

From: Krein, Steve
Sent: Friday, February 19, 2021 8:30 AM
To: Patterson, Mark <Mark.Patterson@ercot.com>
Subject: FW: PPM : Emergency QSE Transfer
Importance: High

We need to have an internal call with Client Services. Viridity as the current RE would need work with us to stop these LR in their portfolio. We also will need to find out how quickly our modeling and SCADA teams could respond. There are about 30 LRs left to be moved.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Robert Douglas [<mailto:rdouglas@prioritypower.net>]
Sent: Friday, February 19, 2021 7:57 AM
To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>
Cc: John Bick <jbick@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Brandon Schwertner <bschwertner@prioritypower.net>; Jacob Magin <JMagin@Prioritypower.net>
Subject: PPM : Emergency QSE Transfer
Importance: High

***** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *****

Steve/Leon,

Good Morning. I would like to know if ERCOT can facilitate an Emergency QSE transfer of the assets on the attached spreadsheet. The current QSE will not facilitate the necessary market activity needed to represent these load resources in the market, which includes failure to communicate with ERCOTs Control Room for Critical Assets (same list provided to Mark Patterson), which would help natural gas supply in the State of Texas.

Current QSE:

| | | |
|-------------------------------------|--------|---------------|
| VIRIDITY ENERGY SOLUTIONS INC (QSE) | QVIRID | 8304646602000 |
|-------------------------------------|--------|---------------|

New QSE:

| | | |
|-------------------------------------|--------|---------------|
| PRIORITY POWER MANAGEMENT LLC (SQ1) | QPRI01 | 1283863442100 |
|-------------------------------------|--------|---------------|

Steve – this is an extensive list, which we agreed to spread it out over several weeks. Unfortunately, due to the current refusal of Viridity to represent these resources have become stranded assets. I need you help to develop a plan to get these sites move ASAP.

RD

Robert Douglas
rdouglas@prioritypower.net
408.375.0865

From: Krein, Steve
To: Patterson, Mark
Subject: FW: PPM : Emergency QSE Transfer
Date: Friday, February 19, 2021 8:29:00 AM
Attachments: LSDR and PPM transition schedule 2.8.21.xlsx
image003.jpg
Importance: High

We need to have an internal call with Client Services. Viridity as the current RE would need work with us to stop these LRs in their portfolio. We also will need to find out how quickly our modeling and SCADA teams could respond. There are about 30 LRs left to be moved.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Robert Douglas [mailto:rdouglas@prioritypower.net]

Sent: Friday, February 19, 2021 7:57 AM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>

Cc: John Bick <jbick@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Brandon Schwertner <bschwertner@prioritypower.net>; Jacob Magin <JMagin@Prioritypower.net>

Subject: PPM : Emergency QSE Transfer

Importance: High

***** **EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials.** *****

Steve/Leon,

Good Morning. I would like to know if ERCOT can facilitate an Emergency QSE transfer of the assets on the attached spreadsheet. The current QSE will not facilitate the necessary market activity needed to represent these load resources in the market, which includes failure to communicate with ERCOTs Control Room for Critical Assets (same list provided to Mark Patterson), which would help natural gas supply in the State of Texas.

Current QSE:

| | | |
|-------------------------------------|--------|---------------|
| VIRIDITY ENERGY SOLUTIONS INC (QSE) | QVIRID | 8304646602000 |
|-------------------------------------|--------|---------------|

New QSE:

| | | |
|-------------------------------------|--------|---------------|
| PRIORITY POWER MANAGEMENT LLC (SQ1) | QPRI01 | 1283863442100 |
|-------------------------------------|--------|---------------|

Steve – this is an extensive list, which we agreed to spread it out over several weeks. Unfortunately, due to the current refusal of Viridity to represent these resources have become stranded assets. I need you help to develop a plan to get these sites move ASAP.

RD

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: Sumruld, Lisa
To: Krein, Steve; Patterson, Mark
Cc: Ganjoo, Shalesh
Subject: FW: PPM : Emergency QSE Transfer
Date: Friday, February 19, 2021 10:10:33 AM
Attachments: image001.jpg

I neglected to include you; just FYI. Thanks.

Lisa

From: Robert Douglas [mailto:rdouglas@prioritypower.net]
Sent: Friday, February 19, 2021 10:09 AM
To: Sumruld, Lisa <Lisa.Sumruld@ercot.com>
Cc: Ganjoo, Shalesh <Shalesh.Ganjoo@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>
Subject: RE: PPM : Emergency QSE Transfer

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Received. Reviewing.

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: Sumruld, Lisa <Lisa.Sumruld@ercot.com>
Sent: Friday, February 19, 2021 10:04 AM
To: Robert Douglas <rdouglas@prioritypower.net>
Cc: Ganjoo, Shalesh <Shalesh.Ganjoo@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>
Subject: FW: PPM : Emergency QSE Transfer

Robert,

This is the protocol language I mentioned that should be reviewed to consider if it applies.

There is not an accelerated process to move the Load Resources, but we can discuss your plans if needed, just let me or Shalesh know.

Thank you.



Lisa A. Sumruld
ERCOT Client Services Manager
Office: 512-248-3951 Cell: 512-431-5790 lsuruld@ercot.com

Section 16: Registration and Qualification of Market Participants

(Dec 31, 2020 – docx – 171.4 KB)

16.2.6 Emergency Qualified Scheduling Entity

16.2.6.1 Designation as an Emergency Qualified Scheduling Entity or Virtual Qualified Scheduling Entity

- (1) A “Virtual QSE” is defined as an LSE or Resource Entity that has not qualified and been designated as an Emergency QSE, but has been designated by ERCOT to temporarily perform the responsibilities of a QSE.
- (2) If a QSE has given Notice of its intent to terminate its relationship with an LSE or Resource Entity, that LSE or Resource Entity, must, by noon on the fourth Business Day after the termination notice date, either:
 - (a) Designate a new QSE with such relationship to take effect on the Termination Date, or earlier if allowed by ERCOT; or
 - (b) Satisfy all necessary creditworthiness requirements for QSEs as described in Section 16.2, Registration and Qualification of Qualified Scheduling Entities, and operate as an Emergency QSE as described below.
- (3) If ERCOT has given Notice of an LSE’s or Resource Entity’s QSE’s termination or suspension, that LSE or Resource Entity will be designated as a Virtual QSE for up to two Bank Business Days, during which time it must either:
 - (a) Designate and begin operations with a new QSE; or
 - (b) Satisfy all necessary creditworthiness requirements for QSEs as described in Section 16.2, and operate as an Emergency QSE as described below. As provided in paragraph (2) of Section 16.2.5, Suspended or Terminated Qualified Scheduling Entity – Notification to LSEs and Resource Entities Represented, this option does not apply to an LSE or Resource Entity represented by a terminated or suspended QSE that is the same Entity as the terminated or suspended QSE.
- (4) If an LSE or Resource Entity meets the creditworthiness requirements, the LSE or Resource Entity may be designated as an Emergency QSE except as provided in paragraph (2) of Section 16.2.5 and may, upon the Termination Date, be issued Digital Certificates and given access to the Market Information System (MIS) as determined by ERCOT.
- (5) If the LSE fails to meet the requirements of one of the above options in the timeframe set forth above, it shall constitute a

QSE Affiliation Breach under the LSE's Standard Form Market Participant Agreement. If the LSE fails to cure the QSE Affiliation Breach within the cure period set forth in the Standard Form Market Participant Agreement, and the LSE serves Load, ERCOT shall, after notice as specified in Retail Market Guide Section 7.11, Transition Process, initiate a Mass Transition of the LSE's Electronic Service Identifiers (ESI IDs) pursuant to Section 15.1.3, Transition Process.

- (6) If a Resource Entity fails to meet the requirements of one of the options set forth in paragraph (2) or (3) above within the requisite timeframe, it shall constitute a QSE Affiliation Breach under the Resource Entity's Standard Form Market Participant Agreement, provided that ERCOT may allow the Resource Entity additional time, as determined by ERCOT staff, to meet the requirements.
- (7) For any Operating Day in which an LSE or Resource Entity is not either represented by a QSE or qualified as an Emergency QSE, ERCOT may designate the LSE or Resource Entity as a Virtual QSE. ERCOT may issue Digital Certificates to the Virtual QSE for access to the capabilities of the MIS. A Virtual QSE shall be liable for any and all charges associated with Initial, Final and True-Up Settlements as well as any Resettlements applying to dates during which the Virtual QSE represented ESI IDs or otherwise incurred charges pursuant to these Protocols, along with any and all costs incurred by ERCOT in collecting such amounts.
- (8) ERCOT shall maintain a referral list of qualified QSEs on the ERCOT website who request to be listed as providing QSE services on short notice. The list shall include the QSE's name, contact information and whether they are qualified to represent Load and/or Resources and/or provide Ancillary Services. ERCOT shall not be obligated to verify the abilities of any QSE so listed. ERCOT shall require all QSEs listed to confirm their inclusion on the referral list no later than the start of each calendar year.

16.2.6.2 Market Participation by an Emergency Qualified Scheduling Entity or a Virtual Qualified Scheduling Entity

- (1) An Emergency QSE or a Virtual QSE may only represent itself; it may not represent another legal Entity.
- (2) An Emergency QSE or a Virtual QSE that is also an LSE may only submit the following transactions, and may do so only to the extent that the transactions are intended to serve the Load of the Emergency QSE's or Virtual QSE's Customers:
 - (a) Energy Trades in which the Emergency QSE or the Virtual QSE is the buyer;
 - (b) Capacity Trades in which the Emergency QSE or the Virtual QSE is the buyer;
 - (c) Ancillary Service Trades in which the Emergency QSE or the Virtual QSE is the buyer; and
 - (d) DAM Energy Bids.
- (3) An Emergency QSE or a Virtual QSE that is also a Resource Entity may only submit transactions that are directly attributable to and wholly provided by the Resource Entity's Resource(s).

16.2.6.3 Requirement to Obtain New Qualified Scheduling Entity or Qualified Scheduling Entity Qualification

- (1) Within seven Business Days after receiving designation as an Emergency QSE, an Emergency QSE must either:
 - (a) Designate a QSE that will represent the LSE or Resource Entity to ERCOT; or
 - (b) Fulfill all QSE registration and qualification requirements. After completing the requirements in item (b), ERCOT may redesignate the Emergency QSE as a QSE.
- (2) If an Emergency QSE that is an LSE fails to meet at least one of the requirements listed above within the allotted time, then ERCOT shall, after notice as specified in Retail Market Guide Section 7.11, Transition Process, initiate a Mass Transition of the LSE's ESI IDs pursuant to Section 15.1.3, Transition Process. If an Emergency QSE that is a Resource Entity fails to meet at least one of the requirements listed above within the allotted time, ERCOT may allow the Resource Entity additional time, as determined by ERCOT staff, to meet the requirements.

From: Robert Douglas [mailto:rdouglas@prioritypower.net]

Sent: Friday, February 19, 2021 7:57 AM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>

Cc: John Bick <jbick@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Brandon Schwertner <bschwertner@prioritypower.net>; Jacob Magin <JMagin@Prioritypower.net>

Subject: PPM : Emergency QSE Transfer

Importance: High

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Steve/Leon,

Good Morning. I would like to know if ERCOT can facilitate an Emergency QSE transfer of the assets on the attached spreadsheet. The current QSE will not facilitate the necessary market activity needed to represent these load resources in the market, which includes

failure to communicate with ERCOTs Control Room for Critical Assets (same list provided to Mark Patterson), which would help natural gas supply in the State of Texas.

Current QSE:

| | | |
|-------------------------------------|--------|---------------|
| VIRIDITY ENERGY SOLUTIONS INC (QSE) | QVIRID | 8304646602000 |
|-------------------------------------|--------|---------------|

New QSE:

| | | |
|-------------------------------------|--------|---------------|
| PRIORITY POWER MANAGEMENT LLC (SQ1) | QPRI01 | 1283863442100 |
|-------------------------------------|--------|---------------|

Steve – this is an extensive list, which we agreed to spread it out over several weeks. Unfortunately, due to the current refusal of Viridity to represent these resources have become stranded assets. I need you help to develop a plan to get these sites move ASAP.

RD

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: Krein, Steve
To: Patterson, Mark
Subject: FW: LR Resources
Date: Thursday, February 18, 2021 11:32:00 AM
Attachments: image001.jpg

Mike also left me a voice mail in addition to this email. One of us should respond. How does this sound:

According to section 8 of the Protocols 8.1.1.4.2 (4) "...The QSE's portfolio shall maintain this response until recalled or the Resource's obligation to provide RRS expires..." The option to begin restoring load may still be subject to other conditions outside of the ERCOT Protocols, including conditions being set by the electric distribution provider and the contract the customer has with their retail electric provider.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Mike Pavo [mailto:mpavo@viridityenergy.com]
Sent: Thursday, February 18, 2021 10:33 AM
To: Krein, Steve <Steve.Krein@ercot.com>; Patterson, Mark <Mark.Patterson@ercot.com>
Cc: Jerry Winter <jwinter@viridityenergy.com>
Subject: LR Resources

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Steve/Mark

Thank you for the call.

Just to clarify our understanding of the answers to one question:

1. Load resources which carried obligations on 2/15 and were deployed, and have no ERCOT RRS obligation for 2/16-2/18, have the option to begin to restore load?

Best Regards,

Mike Pavo

Head of Operations

Viridity Energy Solutions Inc - An ORMAT Company

www.viridityenergy.com

Office: [267-507-9041](tel:267-507-9041)

24 Hour: [484-474-5350](tel:484-474-5350)

From: [John Bick](#)
To: [Krein, Steve](#); [Ricaud, Leon](#); [Patterson, Mark](#)
Cc: [Ryan Wamsley](#); [Robert Douglas](#); [Russell Schwertner](#); [Keith M. Vauquelin - Lone Star Demand Response \(keith@lonestardemandresponse.com\)](#)
Subject: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)
Date: Thursday, February 18, 2021 2:41:07 PM
Importance: High

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

ERCOT,

Based on our call this morning, and ERCOT stating that the LSDR/VESI LR assets could restore load, we communicated that message to the customers. These customers began to bring load back on the system.

Now, we have received notification via a phone call from Steve Krein that the LR assets that were deployed on 02/15 should remain down.

This is very problematic. Diamondback specifically ([Ryan Wamsley from DBE cc'd herein](#)) has had an army of people in the field bringing these assets back up. They have already brought back on line a significant portion of load, and have already nominated natural gas into pipelines under commercial agreements that are essentially take or pay.

Diamondback Energy is requesting a call today to understand why there was a change in the ERCOT position. And to get a waiver to allow them to continue to run their assets.

Please let us know if we can get a call set up ASAP>

John J. Bick | Managing Principal

Please note our new address:

Priority Power Management LLC | *Your Trusted Energy Advisor*

2201 E. Lamar Blvd., Suite 275 | Arlington, TX 76006

T 972.314.9040 | F 817.887.0866 | C 817.994.2285

jbick@prioritypower.net | www.prioritypower.net

From: Krein, Steve
To: Patterson, Mark
Subject: Confirmation of our Instructions to Priority Power Management QSE
Date: Thursday, February 18, 2021 2:38:00 PM
Attachments: image003.jpg

Here is a draft of an email I plan to send to Robert Douglas pending your comments.
Based on Protocol Section 6.5.7.6.2.2 (8), ERCOT's expectation is that LRs are to remain deployed until instructed by ERCOT to stop providing RRS.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: [Krein, Steve](#)
To: [Patterson, Mark](#)
Subject: Calls to Viridity and Priority Power Management
Date: Thursday, February 18, 2021 2:33:00 PM
Attachments: [image001.jpg](#)

I called Mike Pavo at Viridity Energy Solutions. He said he understood but they will need to call their customers back to revise their earlier instructions.

Also called Russ Schwertner at Priority Management. He said they will need to call their customers back to revise their earlier instructions. Robert Douglas just called back and wants an email confirming this conversation.

My message was pretty short and consisted of the following:

Based on Protocol Section 6.5.7.6.2.2 (8), ERCOTs expectation is that LR's are to remain deployed until instructed to stop providing RRS. If the end use customers have specific concerns about health and safety or potential damage to their equipment, they will need to call the control room to get an exception to this requirement.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Krein, Steve
To: Robert Douglas
Cc: Patterson, Mark; Sumruld, Lisa
Subject: Accepted: PPM: LR Scheduling Conflict (Call w/ ERCOT)

I'm going to ask Mark to join us. If we need to discuss issues relating to credit or other legal issues, we need to wait until we can have those folks join us.

Stepan, Melody

Subject: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)
Location: Microsoft Teams Meeting

Start: Thu 2/18/2021 3:30 PM
End: Thu 2/18/2021 4:00 PM
Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Organizer: John Bick

***** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *****

Microsoft Teams meeting

Join on your computer or mobile app

[Click here to join the meeting](#)

Or call in (audio only)

[+1 469-965-2426,,776411176#](#) United States, Dallas

Phone Conference ID: 776 411 176#

[Find a local number](#) | [Reset PIN](#)

[Learn More](#) | [Meeting options](#)

From: Patterson, Mark <Mark.Patterson@ercot.com>

Sent: Thursday, February 18, 2021 3:07 PM

To: John Bick <jbick@prioritypower.net>; Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>; Kane, Erika <Erika.Kane@ercot.com>

Cc: Ryan Wamsley <rwamsley@diamondbackenergy.com>; Robert Douglas <rdouglas@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Keith M. Vauquelin - Lone Star Demand Response <keith@lonestardemandresponse.com> <keith@lonestardemandresponse.com>

Subject: RE: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)

Yes, please set up a call. I have talked to the control room and they will not provide PPM a waiver to continue to run their assets.

From: John Bick [<mailto:jbick@prioritypower.net>]

Sent: Thursday, February 18, 2021 2:41 PM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>; Patterson, Mark <Mark.Patterson@ercot.com>

Cc: Ryan Wamsley <rwamsley@diamondbackenergy.com>; Robert Douglas <rdouglas@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Keith M. Vauquelin - Lone Star Demand Response (keith@lonestardemandresponse.com) <keith@lonestardemandresponse.com>

Subject: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)

Importance: High

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

ERCOT,

Based on our call this morning, and ERCOT stating that the LSRD/VESI LR assets could restore load, we communicated that message to the customers. These customers began to bring load back on the system.

Now, we have received notification via a phone call from Steve Krein that the LR assets that were deployed on 02/15 should remain down.

This is very problematic. Diamondback specifically (*Ryan Wamsley from DBE cc'd herein*) has had an army of people in the field bringing these assets back up. They have already brought back on line a significant portion of load, and have already nominated natural gas into pipelines under commercial agreements that are essentially take or pay.

Diamondback Energy is requesting a call today to understand why there was a change in the ERCOT position. And to get a waiver to allow them to continue to run their assets.

Please let us know if we can get a call set up ASAP>

John J. Bick | Managing Principal

Please note our new address:

Priority Power Management LLC | *Your Trusted Energy Advisor*

2201 E. Lamar Blvd., Suite 275 | Arlington, TX 76006

T 972.314.9040 | F 817.887.0866 | C 817.994.2285

jbick@prioritypower.net | www.prioritypower.net

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| 98 | Page 98 of 98 | Page 98 of 98 |
| 99 | Page 99 of 99 | Page 99 of 99 |
| 100 | Page 100 of 100 | Page 100 of 100 |

Stepan, Melody

Subject: PPM/LSDR LR Assets (URGENT IMPORTANCE)
Location: Microsoft Teams Meeting

Start: Thu 2/18/2021 4:00 PM
End: Thu 2/18/2021 4:30 PM
Show Time As: Tentative

Recurrence: (none)

Meeting Status: Not yet responded

Organizer: John Bick

***** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *****

This call will be to discuss the LSDR/VESI LR assets and we will not discuss Diamondback, or any other customer, specifically.

Diamondback representatives have been removed from this call.

Microsoft Teams meeting

Join on your computer or mobile app

[Click here to join the meeting](#)

Or call in (audio only)

[+1 469-965-2426,,776411176#](#) United States, Dallas

Phone Conference ID: 776 411 176#

[Find a local number](#) | [Reset PIN](#)

[Learn More](#) | [Meeting options](#)

From: Patterson, Mark <Mark.Patterson@ercot.com>

Sent: Thursday, February 18, 2021 3:07 PM

To: John Bick <jbick@prioritypower.net>; Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>; Kane, Erika <Erika.Kane@ercot.com>

Cc: Ryan Wamsley <rwamsley@diamondbackenergy.com>; Robert Douglas <rdouglas@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Keith M. Vauquelin - Lone Star Demand Response

(keith@lonestardemandresponse.com) <keith@lonestardemandresponse.com>

Subject: RE: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)

Yes, please set up a call. I have talked to the control room and they will not provide PPM a waiver to continue to run their assets.

From: John Bick [<mailto:jbick@prioritypower.net>]

Sent: Thursday, February 18, 2021 2:41 PM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>; Patterson, Mark <Mark.Patterson@ercot.com>

Cc: Ryan Wamsley <rwamsley@diamondbackenergy.com>; Robert Douglas <rdouglas@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Keith M. Vauquelin - Lone Star Demand Response (keith@lonestardemandresponse.com) <keith@lonestardemandresponse.com>

Subject: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)

Importance: High

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

ERCOT,

Based on our call this morning, and ERCOT stating that the LSDR/VESI LR assets could restore load, we communicated that message to the customers. These customers began to bring load back on the system.

Now, we have received notification via a phone call from Steve Krein that the LR assets that were deployed on 02/15 should remain down.

This is very problematic. Diamondback specifically (*Ryan Wamsley from DBE cc'd herein*) has had an army of people in the field bringing these assets back up. They have already brought back on line a significant portion of load, and have already nominated natural gas into pipelines under commercial agreements that are essentially take or pay.

Diamondback Energy is requesting a call today to understand why there was a change in the ERCOT position. And to get a waiver to allow them to continue to run their assets.

Please let us know if we can get a call set up ASAP>

John J. Bick | Managing Principal

Please note our new address:

Priority Power Management LLC | *Your Trusted Energy Advisor*

2201 E. Lamar Blvd., Suite 275 | Arlington, TX 76006

T 972.314.9040 | F 817.887.0866 | C 817.994.2285

jbick@prioritypower.net | www.prioritypower.net

From: [Patterson, Mark](#)
To: [John Bick](#); [Krein, Steve](#); [Ricaud, Leon](#); [Kane, Erika](#)
Cc: [Ryan Wamsley](#); [Robert Douglas](#); [Russell Schwertner](#); [Keith M. Vauquelin - Lone Star Demand Response \(keith@lonestardemandresponse.com\)](#)
Subject: RE: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)
Date: Thursday, February 18, 2021 3:06:45 PM

Yes, please set up a call. I have talked to the control room and they will not provide PPM a waiver to continue to run their assets.

From: John Bick [mailto:jbick@prioritypower.net]
Sent: Thursday, February 18, 2021 2:41 PM
To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>; Patterson, Mark <Mark.Patterson@ercot.com>
Cc: Ryan Wamsley <rwamsley@diamondbackenergy.com>; Robert Douglas <rdouglas@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Keith M. Vauquelin - Lone Star Demand Response (keith@lonestardemandresponse.com) <keith@lonestardemandresponse.com>
Subject: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)
Importance: High

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ERCOT,

Based on our call this morning, and ERCOT stating that the LSDR/VESI LR assets could restore load, we communicated that message to the customers. These customers began to bring load back on the system.

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2201 E. Lamar Blvd., Suite 275 | Arlington, TX 76006

T 972.314.9040 | F 817.887.0866 | C 817.994.2285

jbick@prioritypower.net | www.prioritypower.net

From: [John Bick](#)
To: [Kane, Erika](#); [Patterson, Mark](#); [Krein, Steve](#); [Ricaud, Leon](#); [Robert Douglas](#); [Russell Schwertner](#); [Keith M. Vauquelin - Lone Star Demand Response \(keith@lonestardemandresponse.com\)](#)
Cc: [Danny Smedley](#)
Subject: RE: PPM/LSDR LR Assets (URGENT IMPORTANCE)
Date: Thursday, February 18, 2021 3:31:02 PM

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Yes... I will send revised invite for 4pm

Thanks,

John Bick

From: Kane, Erika <Erika.Kane@ercot.com>
Sent: Thursday, February 18, 2021 3:29 PM
To: John Bick <jbick@prioritypower.net>; Patterson, Mark <Mark.Patterson@ercot.com>; Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>; Robert Douglas <rdouglas@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Keith M. Vauquelin - Lone Star Demand Response (keith@lonestardemandresponse.com) <keith@lonestardemandresponse.com>
Cc: Danny Smedley <Dsmedley@prioritypower.net>
Subject: RE: PPM/LSDR LR Assets (URGENT IMPORTANCE)

My apologies – We need a bit of additional time to have internal discussions on this. Can we push this call back by 20 to 30 minutes? Thank you.

-----Original Appointment-----

From: John Bick [<mailto:jbick@prioritypower.net>]
Sent: Thursday, February 18, 2021 3:27 PM
To: Patterson, Mark; Krein, Steve; Ricaud, Leon; Kane, Erika; Robert Douglas; Russell Schwertner; Keith M. Vauquelin - Lone Star Demand Response (keith@lonestardemandresponse.com)
Cc: Danny Smedley
Subject: PPM/LSDR LR Assets (URGENT IMPORTANCE)
When: Thursday, February 18, 2021 3:30 PM-4:00 PM (UTC-06:00) Central Time (US & Canada).
Where: Microsoft Teams Meeting
Importance: High

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

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Diamondback representatives have been removed from this call.

Microsoft Teams meeting

Join on your computer or mobile app

[Click here to join the meeting](#)

Or call in (audio only)

[+1 469-965-2426, 77641176#](#) United States, Dallas

Phone Conference ID: 776 411 176#

[Find a local number](#) | [Reset PIN](#)

[Learn More](#) | [Meeting options](#)

From: Patterson, Mark <Mark.Patterson@ercot.com>;

Sent: Thursday, February 18, 2021 3:07 PM

To: John Bick <jbick@prioritypower.net>; Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>; Kane, Erika <Erika.Kane@ercot.com>;

Cc: Ryan Wamsley <rwamsley@diamondbackenergy.com>; Robert Douglas

<rdouglas@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>;

Keith M. Vauquelin - Lone Star Demand Response (keith@lonestardemandresponse.com)

<keith@lonestardemandresponse.com>;

Subject: RE: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)

Yes, please set up a call. I have talked to the control room and they will not provide PPM a waiver to continue to run their assets.

From: John Bick [<mailto:jbick@prioritypower.net>]

Sent: Thursday, February 18, 2021 2:41 PM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>;

Patterson, Mark <Mark.Patterson@ercot.com>;

Cc: Ryan Wamsley <rwamsley@diamondbackenergy.com>; Robert Douglas

<rdouglas@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>;

Keith M. Vauquelin - Lone Star Demand Response (keith@lonestardemandresponse.com)

<keith@lonestardemandresponse.com>;

Subject: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)

Importance: High

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John J. Bick | Managing Principal

Please note our new address:

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2201 E. Lamar Blvd., Suite 275 | Arlington, TX 76006

T 972.314.9040 | F 817.887.0866 | C 817.994.2285

jbick@prioritypower.net | www.prioritypower.net

From: Kane, Erika
To: "John Bick"; Patterson, Mark; Krein, Steve; Ricaud, Leon; Robert Douglas; Russell Schwertner; Keith M. Vauquelin - Lone Star Demand Response (keith@lonestardemandresponse.com)
Cc: Danny Smedley
Subject: RE: PPM/LSDR LR Assets (URGENT IMPORTANCE)
Date: Thursday, February 18, 2021 3:28:51 PM

My apologies – We need a bit of additional time to have internal discussions on this. Can we push this call back by 20 to 30 minutes? Thank you.

-----Original Appointment-----

From: John Bick [<mailto:jbick@prioritypower.net>]
Sent: Thursday, February 18, 2021 3:27 PM
To: Patterson, Mark; Krein, Steve; Ricaud, Leon; Kane, Erika; Robert Douglas; Russell Schwertner; Keith M. Vauquelin - Lone Star Demand Response (keith@lonestardemandresponse.com)
Cc: Danny Smedley
Subject: PPM/LSDR LR Assets (URGENT IMPORTANCE)
When: Thursday, February 18, 2021 3:30 PM-4:00 PM (UTC-06:00) Central Time (US & Canada).
Where: Microsoft Teams Meeting
Importance: High

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Microsoft Teams meeting

Join on your computer or mobile app

[Click here to join the meeting](#)

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Phone Conference ID: 776 411 176#

[Find a local number](#) | [Reset PIN](#)

[Learn More](#) | [Meeting options](#)

From: Patterson, Mark <Mark.Patterson@ercot.com>;
Sent: Thursday, February 18, 2021 3:07 PM
To: John Bick <jbick@prioritypower.net>; Krein, Steve <Steve.Krein@ercot.com>;
Ricaud, Leon <Leon.Ricaud@ercot.com>; Kane, Erika <Erika.Kane@ercot.com>;
Cc: Ryan Wamsley <rwamsley@diamondbackenergy.com>; Robert Douglas
<rdouglas@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>;
Keith M. Vauquelin - Lone Star Demand Response (keith@lonestardemandresponse.com)
<keith@lonestardemandresponse.com>;
Subject: RE: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)

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From: John Bick [<mailto:jbick@prioritypower.net>]
Sent: Thursday, February 18, 2021 2:41 PM
To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>;
Patterson, Mark <Mark.Patterson@ercot.com>;
Cc: Ryan Wamsley <rwamsley@diamondbackenergy.com>; Robert Douglas
<rdouglas@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>;
Keith M. Vauquelin - Lone Star Demand Response (keith@lonestardemandresponse.com)
<keith@lonestardemandresponse.com>;
Subject: Diamondback Energy - LR / PPM/LSDR (URGENT IMPORTANCE)
Importance: High

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ERCOT,

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2201 E. Lamar Blvd., Suite 275 | Arlington, TX 76006

T 972.314.9040 | F 817.887.0866 | C 817.994.2285

jbick@prioritypower.net | www.prioritypower.net

From: [Orr, Rob](#)
To: [Hartmann, Jimmy](#); [Woodfin, Dan](#)
Cc: [Krein, Steve](#); [Patterson, Mark](#)
Subject: Fw: Permian Basin Petroleum Association Question
Date: Thursday, February 18, 2021 3:19:52 PM
Attachments: [Outlook-cid_image0.png](#)

Here's what chuck sent us can y'all give us any insight into this for PUC staff:

Howdy Lindsey and Rob,

I just got off the phone with Michael Lozano who represents the Permian Basin Petroleum Association. He states that an operator with CrownQuest was told by a representative from ERCOT (Steve Krein (sp?)), that they were not allowed to come up on the grid as of yet.

Not sure how factual any of this is but thought I'd run it through you to verify since these issues are high-vis.

Thanks,

Chuck

Rob Orr
Government Relations Manager
ERCOT
Desk: (512) 225-7011
Cell: (512) 413-0671
rob.orr@ercot.com
Follow ERCOT on twitter
http://twitter.com/ercot_iso

From: Bondurant, Chuck <Chuck.Bondurant@puc.texas.gov>
Sent: Thursday, February 18, 2021 3:05 PM
To: Orr, Rob <Rob.Orr@ercot.com>; Hughes, Lindsey <Lindsey.Hughes@ercot.com>
Cc: therese harris <therese.harris@puc.texas.gov>
Subject: Permian Basin Petroleum Association Question

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Howdy Lindsey and Rob,

I just got off the phone with Michael Lozano who represents the Permian Basin Petroleum Association. He states that an operator with CrownQuest was told by a representative from ERCOT (Steve Krein (sp?)), that they were not allowed to come up on the grid as of yet.

Not sure how factual any of this is but thought I'd run it through you to verify since these issues are high-vis.

Thanks,

Chuck

Charles "Chuck" Bondurant
Director, Critical Infrastructure Security and Risk



Management (CISRM)

Public Utility Commission of Texas

W: (512)936-7280 | chuck.bondurant@puc.texas.gov

From: Krein, Steve
To: Patterson, Mark
Subject: FW: PPM : Emergency QSE Transfer
Attachments: LSPDR and PPM transition schedule 2.8.21.xlsx
Importance: High

We need to have an internal call with Client Services. Viridity as the current RE would need work with us to stop these LRs in their portfolio. We also will need to find out how quickly our modeling and SCADA teams could respond. There are about 30 LRs left to be moved.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Robert Douglas [mailto:rdouglas@prioritypower.net]

Sent: Friday, February 19, 2021 7:57 AM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>

Cc: John Bick <jbick@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Brandon Schwertner <bschwertner@prioritypower.net>; Jacob Magin <JMagin@Prioritypower.net>

Subject: PPM : Emergency QSE Transfer

Importance: High

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Steve/Leon,

Good Morning. I would like to know if ERCOT can facilitate an Emergency QSE transfer of the assets on the attached spreadsheet. The current QSE will not facilitate the necessary market activity needed to represent these load resources in the market, which includes failure to communicate with ERCOTs Control Room for Critical Assets (same list provided to Mark Patterson), which would help natural gas supply in the State of Texas.

Current QSE:

| | | |
|-------------------------------------|--------|---------------|
| VIRIDITY ENERGY SOLUTIONS INC (QSE) | QVIRID | 8304646602000 |
|-------------------------------------|--------|---------------|

New QSE:

| | | |
|-------------------------------------|--------|---------------|
| PRIORITY POWER MANAGEMENT LLC (SQ1) | QPRI01 | 1283863442100 |
|-------------------------------------|--------|---------------|

Steve – this is an extensive list, which we agreed to spread it out over several weeks. Unfortunately, due to the current refusal of Viridity to represent these resources have become stranded assets. I need you help to develop a plan to get these sites move ASAP.

RD

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: [Patterson, Mark](#)
To: [Sumruld, Lisa](#); [Ricaud, Leon](#); [Hunsucker, Brett](#)
Cc: [Krein, Steve](#)
Subject: FW: PPM : Emergency QSE Transfer
Date: Friday, February 19, 2021 8:48:59 AM
Attachments: [LSDR and PPM transition schedule 2.8.21.xlsx](#)
Importance: High

All, is anyone working with PPM and Viridity to address this transfer? This keeps coming our way and we are not the SMEs to help them. PPM has been told these Permian basin loads will be allowed to return to service if the QSEs representing them will contact the control room and request to be released. The problem seems to be that Viridity has basically not cooperating with these loads that are in transition. This is a short email so if you need more information we can have an internal call or just call Steve or I.

From: Krein, Steve

Sent: Friday, February 19, 2021 8:30 AM

To: Patterson, Mark <Mark.Patterson@ercot.com>

Subject: FW: PPM : Emergency QSE Transfer

Importance: High

We need to have an internal call with Client Services. Viridity as the current RE would need work with us to stop these LR's in their portfolio. We also will need to find out how quickly our modeling and SCADA teams could respond. There are about 30 LR's left to be moved.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Robert Douglas [<mailto:rdouglas@prioritypower.net>]

Sent: Friday, February 19, 2021 7:57 AM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>

Cc: John Bick <jbick@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Brandon Schwertner <bschwertner@prioritypower.net>; Jacob Magin <JMagin@Prioritypower.net>

Subject: PPM : Emergency QSE Transfer

Importance: High

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Steve/Leon,

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Current QSE:

| | | |
|-------------------------------------|--------|---------------|
| VIRIDITY ENERGY SOLUTIONS INC (QSE) | QVIRID | 8304646602000 |
|-------------------------------------|--------|---------------|

New QSE:

| | | |
|-------------------------------------|--------|---------------|
| PRIORITY POWER MANAGEMENT LLC (SQ1) | QPRI01 | 1283863442100 |
|-------------------------------------|--------|---------------|

Steve – this is an extensive list, which we agreed to spread it out over several weeks. Unfortunately, due to the current refusal of Viridity to represent these resources have become stranded assets. I need you help to develop a plan to get these sites move ASAP.

RD

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: Sumruld, Lisa
To: Krein, Steve; Patterson, Mark
Cc: Ganjoo, Shalesh
Subject: FW: PPM : Emergency QSE Transfer

I neglected to include you; just FYI. Thanks.

Lisa

From: Robert Douglas [mailto:rdouglas@prioritypower.net]
Sent: Friday, February 19, 2021 10:09 AM
To: Sumruld, Lisa <Lisa.Sumruld@ercot.com>
Cc: Ganjoo, Shalesh <Shalesh.Ganjoo@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>
Subject: RE: PPM : Emergency QSE Transfer

****** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. ******

Received. Reviewing.

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: Sumruld, Lisa <Lisa.Sumruld@ercot.com>
Sent: Friday, February 19, 2021 10:04 AM
To: Robert Douglas <rdouglas@prioritypower.net>
Cc: Ganjoo, Shalesh <Shalesh.Ganjoo@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>
Subject: FW: PPM : Emergency QSE Transfer

Robert,

This is the protocol language I mentioned that should be reviewed to consider if it applies.

There is not a accelerated process to more the Load Resources, but we can discuss your plans if needed, just let me or Shalesh know.

Thank you.



Lisa A. Sumruld
ERCOT Client Services Manager
Office: 512-248-3951 Cell: 512-431-5790 lsuruld@ercot.com

Section 16: Registration and Qualification of Market Participants

(Dec 31, 2020 – docx – 171.4 KB)

16.2.6 Emergency Qualified Scheduling Entity

16.2.6.1 Designation as an Emergency Qualified Scheduling Entity or Virtual Qualified Scheduling Entity

- (1) A “Virtual QSE” is defined as an LSE or Resource Entity that has not qualified and been designated as an Emergency QSE, but has been designated by ERCOT to temporarily perform the responsibilities of a QSE.
- (2) If a QSE has given Notice of its intent to terminate its relationship with an LSE or Resource Entity, that LSE or Resource Entity, must, by noon on the fourth Business Day after the termination notice date, either:
 - (a) Designate a new QSE with such relationship to take effect on the Termination Date, or earlier if allowed by ERCOT; or
 - (b) Satisfy all necessary creditworthiness requirements for QSEs as described in Section 16.2, Registration and Qualification of Qualified Scheduling Entities, and operate as an Emergency QSE as described below.
- (3) If ERCOT has given Notice of an LSE’s or Resource Entity’s QSE’s termination or suspension, that LSE or Resource Entity will be designated as a Virtual QSE for up to two Bank Business Days, during which time it must either:
 - (a) Designate and begin operations with a new QSE; or
 - (b) Satisfy all necessary creditworthiness requirements for QSEs as described in Section 16.2, and operate as an Emergency QSE as described below. As provided in paragraph (2) of Section 16.2.5, Suspended or Terminated Qualified Scheduling Entity – Notification to LSEs and Resource Entities Represented, this option does not apply to an LSE or Resource Entity represented by a terminated or suspended QSE that is the same Entity as the terminated or suspended QSE.
- (4) If an LSE or Resource Entity meets the creditworthiness requirements, the LSE or Resource Entity may be designated as an Emergency QSE except as provided in paragraph (2) of Section 16.2.5 and may, upon the Termination Date, be issued Digital Certificates and given access to the Market Information System (MIS) as determined by ERCOT.
- (5) If the LSE fails to meet the requirements of one of the above options in the timeframe set forth above, it shall constitute a QSE Affiliation Breach under the LSE’s Standard Form Market Participant Agreement. If the LSE fails to cure the QSE Affiliation Breach within the cure period set forth in the Standard Form Market Participant Agreement, and the LSE

serves Load, ERCOT shall, after notice as specified in Retail Market Guide Section 7.11, Transition Process, initiate a Mass Transition of the LSE's Electronic Service Identifiers (ESI IDs) pursuant to Section 15.1.3, Transition Process.

- (6) If a Resource Entity fails to meet the requirements of one of the options set forth in paragraph (2) or (3) above within the requisite timeframe, it shall constitute a QSE Affiliation Breach under the Resource Entity's Standard Form Market Participant Agreement, provided that ERCOT may allow the Resource Entity additional time, as determined by ERCOT staff, to meet the requirements.
- (7) For any Operating Day in which an LSE or Resource Entity is not either represented by a QSE or qualified as an Emergency QSE, ERCOT may designate the LSE or Resource Entity as a Virtual QSE. ERCOT may issue Digital Certificates to the Virtual QSE for access to the capabilities of the MIS. A Virtual QSE shall be liable for any and all charges associated with Initial, Final and True-Up Settlements as well as any Resettlements applying to dates during which the Virtual QSE represented ESI IDs or otherwise incurred charges pursuant to these Protocols, along with any and all costs incurred by ERCOT in collecting such amounts.
- (8) ERCOT shall maintain a referral list of qualified QSEs on the ERCOT website who request to be listed as providing QSE services on short notice. The list shall include the QSE's name, contact information and whether they are qualified to represent Load and/or Resources and/or provide Ancillary Services. ERCOT shall not be obligated to verify the abilities of any QSE so listed. ERCOT shall require all QSEs listed to confirm their inclusion on the referral list no later than the start of each calendar year.

16.2.6.2 Market Participation by an Emergency Qualified Scheduling Entity or a Virtual Qualified Scheduling Entity

- (1) An Emergency QSE or a Virtual QSE may only represent itself; it may not represent another legal Entity.
- (2) An Emergency QSE or a Virtual QSE that is also an LSE may only submit the following transactions, and may do so only to the extent that the transactions are intended to serve the Load of the Emergency QSE's or Virtual QSE's Customers:
 - (a) Energy Trades in which the Emergency QSE or the Virtual QSE is the buyer;
 - (b) Capacity Trades in which the Emergency QSE or the Virtual QSE is the buyer;
 - (c) Ancillary Service Trades in which the Emergency QSE or the Virtual QSE is the buyer; and
 - (d) DAM Energy Bids.
- (3) An Emergency QSE or a Virtual QSE that is also a Resource Entity may only submit transactions that are directly attributable to and wholly provided by the Resource Entity's Resource(s).

16.2.6.3 Requirement to Obtain New Qualified Scheduling Entity or Qualified Scheduling Entity Qualification

- (1) Within seven Business Days after receiving designation as an Emergency QSE, an Emergency QSE must either:
 - (a) Designate a QSE that will represent the LSE or Resource Entity to ERCOT; or
 - (b) Fulfill all QSE registration and qualification requirements. After completing the requirements in item (b), ERCOT may redesignate the Emergency QSE as a QSE.
- (2) If an Emergency QSE that is an LSE fails to meet at least one of the requirements listed above within the allotted time, then ERCOT shall, after notice as specified in Retail Market Guide Section 7.11, Transition Process, initiate a Mass Transition of the LSE's ESI IDs pursuant to Section 15.1.3, Transition Process. If an Emergency QSE that is a Resource Entity fails to meet at least one of the requirements listed above within the allotted time, ERCOT may allow the Resource Entity additional time, as determined by ERCOT staff, to meet the requirements.

From: Robert Douglas [mailto:rdouglas@prioritypower.net]

Sent: Friday, February 19, 2021 7:57 AM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>

Cc: John Bick <jbick@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Brandon Schwertner <bschwertner@prioritypower.net>; Jacob Magin <JMagin@Prioritypower.net>

Subject: PPM : Emergency QSE Transfer

Importance: High

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Steve/Leon,

Good Morning. I would like to know if ERCOT can facilitate an Emergency QSE transfer of the assets on the attached spreadsheet. The current QSE will not facilitate the necessary market activity needed to represent these load resources in the market, which includes failure to communicate with ERCOT's Control Room for Critical Assets (same list provided to Mark Patterson), which would help natural gas supply in the State of Texas.

Current QSE:

| | | |
|-------------------------------------|--------|---------------|
| VIRIDITY ENERGY SOLUTIONS INC (QSE) | QVIRID | 8304646602000 |
|-------------------------------------|--------|---------------|

New QSE:

| | | |
|-------------------------------------|--------|---------------|
| PRIORITY POWER MANAGEMENT LLC (SQ1) | QPRI01 | 1283863442100 |
|-------------------------------------|--------|---------------|

Steve – this is an extensive list, which we agreed to spread it out over several weeks. Unfortunately, due to the current refusal of Viridity to represent these resources have become stranded assets. I need you help to develop a plan to get these sites move ASAP.

RD

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: Robert Douglas
To: Krein, Steve; Ricaud, Leon
Cc: John Bick; Russell Schwertner; Brandon Schwertner; Jacob Maolin
Subject: PPM : Emergency QSE Transfer
Date: Friday, February 19, 2021 7:58:34 AM
Attachments: LSPDR and PPM transition schedule 2.8.21.xlsx
Importance: High

***** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *****

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RD

Robert Douglas
rdouglas@prioritypower.net
408.375.0865

Stepan, Melody

Subject: PPM: LR Scheduling Conflict (Call w/ ERCOT)

Location: Microsoft Teams Meeting

Start: Thu 2/18/2021 10:00 AM

End: Thu 2/18/2021 11:00 AM

Recurrence: (none)

Meeting Status: Meeting organizer

***** EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *****

Microsoft Teams meeting

Join on your computer or mobile app

[Click here to join the meeting](#)

Or call in (audio only)

[+1 469-965-2426,,108190988#](#) United States, Dallas

Phone Conference ID: 108 190 988#

[Find a local number](#) | [Reset PIN](#)

[Learn More](#) | [Meeting options](#)

From: [Patterson, Mark](#)
To: [Orr, Rob](#); [Hartmann, Jimmy](#); [Woodfin, Dan](#)
Cc: [Krein, Steve](#)
Subject: RE: Permian Basin Petroleum Association Question
Date: Thursday, February 18, 2021 4:26:52 PM
Attachments: [image001.png](#)

Looks like this is getting resolved. The QSEs representing these loads have been instructed to contact the ERCOT control room and request permission to return to service. The control room (Jerry) communicated to me they will grant their request.

From: Orr, Rob

Sent: Thursday, February 18, 2021 3:20 PM

To: Hartmann, Jimmy <Jimmy.Hartmann@ercot.com>; Woodfin, Dan <Dan.Woodfin@ercot.com>

Cc: Krein, Steve <Steve.Krein@ercot.com>; Patterson, Mark <Mark.Patterson@ercot.com>

Subject: Fw: Permian Basin Petroleum Association Question

Here's what chuck sent us can y'all give us any insight into this for PUC staff:

Howdy Lindsey and Rob,

I just got off the phone with Michael Lozano who represents the Permian Basin Petroleum Association. He states that an operator with CrownQuest was told by a representative from ERCOT (Steve Krein (sp?)), that they were not allowed to come up on the grid as of yet.

Not sure how factual any of this is but thought I'd run it through you to verify since these issues are high-vis.

Thanks,

Chuck

Rob Orr

Government Relations Manager

ERCOT

Desk: (512) 225-7011

Cell: (512) 413-0671

rob.orr@ercot.com

Follow ERCOT on twitter

http://twitter.com/ercot_iso

From: Bondurant, Chuck <Chuck.Bondurant@puc.texas.gov>

Sent: Thursday, February 18, 2021 3:05 PM

To: Orr, Rob <Rob.Orr@ercot.com>; Hughes, Lindsey <Lindsey.Hughes@ercot.com>

Cc: therese harris <therese.harris@puc.texas.gov>

Subject: Permian Basin Petroleum Association Question

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

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Thanks,
Chuck



Charles “Chuck” Bondurant
Director, Critical Infrastructure Security and Risk
Management (CISRM)
Public Utility Commission of Texas
W: (512)936-7280 | chuck.bondurant@puc.texas.gov

From: [Orr, Rob](#)
To: [Patterson, Mark](#); [Hartmann, Jimmy](#); [Woodfin, Dan](#)
Cc: [Krein, Steve](#)
Subject: Re: Permian Basin Petroleum Association Question
Date: Thursday, February 18, 2021 4:30:20 PM
Attachments: [image001.png](#)

Thanks so much Mark. I've let PUC know

Rob Orr
Government Relations Manager
ERCOT
Desk: (512) 225-7011
Cell: (512) 413-0671
rob.orr@ercot.com
Follow ERCOT on twitter
http://twitter.com/ercot_iso

From: Patterson, Mark <Mark.Patterson@ercot.com>
Sent: Thursday, February 18, 2021 4:26 PM
To: Orr, Rob <Rob.Orr@ercot.com>; Hartmann, Jimmy <Jimmy.Hartmann@ercot.com>; Woodfin, Dan <Dan.Woodfin@ercot.com>
Cc: Krein, Steve <Steve.Krein@ercot.com>
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Cell: (512) 413-0671

rob.orr@ercot.com

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From: Bondurant, Chuck <Chuck.Bondurant@puc.texas.gov>

Sent: Thursday, February 18, 2021 3:05 PM

To: Orr, Rob <Rob.Orr@ercot.com>; Hughes, Lindsey <Lindsey.Hughes@ercot.com>

Cc: therese harris <therese.harris@puc.texas.gov>

Subject: Permian Basin Petroleum Association Question

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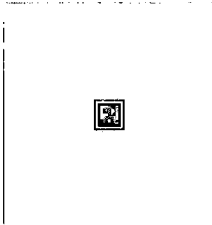
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Thanks,

Chuck



Charles "Chuck" Bondurant

**Director, Critical Infrastructure Security and Risk
Management (CISRM)**

Public Utility Commission of Texas

W: (512)936-7280 | chuck.bondurant@puc.texas.gov

From: [Sumruld, Lisa](#)
To: [Patterson, Mark](#); [Hunsucker, Brett](#)
Cc: [Krein, Steve](#); [Ricaud, Leon](#); [Ganoo, Shalesh](#)
Subject: RE: PPM : Emergency QSE Transfer

Hello Mark,

I talked to Robert moments ago. They continue to look for ways to bring Viridity to perform as they perceived they agreed, or their logic dictates.

I offered moral support, but reiterated that we cannot force Viridity to follow the agreement to which we are not at all related or have authority to discuss.

I did offer to provide the information relevant to Emergency QSE status, and the timeline for moving Load Resources to another QSE as they reconsider the timeline they previously sought. He mentioned we encouraged them to spread things out to make it more comfortable for ERCOT and them on the registration update and telemetry fronts, but now they must reconsider a more aggressive schedule. I will include you all on that shortly.

We stand ready to assist with the protocol consultation and RE/QSE support, your team as well, we are not going to pursue any type of emergency timeline for Load Resources to change QSEs, if that was your expectations. Please let me know what else we can do to help.



Lisa A. Sumruld
ERCOT Client Services Manager
Office: 512-248-3951 Cell: 512-431-5790 lsuruld@ercot.com

From: Patterson, Mark

Sent: Friday, February 19, 2021 8:49 AM

To: Sumruld, Lisa <Lisa.Sumruld@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>; Hunsucker, Brett <Brett.Hunsucker@ercot.com>

Cc: Krein, Steve <Steve.Krein@ercot.com>

Subject: FW: PPM : Emergency QSE Transfer

Importance: High

All, is anyone working with PPM and Viridity to address this transfer? This keeps coming our way and we are not the SMEs to help them. PPM has been told these Permian basin loads will be allowed to return to service if the QSEs representing them will contact the control room and request to be released. The problem seems to be that Viridity has basically not cooperating with these loads that are in transition. This is a short email so if you need more information we can have an internal call or just call Steve or I.

From: Krein, Steve

Sent: Friday, February 19, 2021 8:30 AM

To: Patterson, Mark <Mark.Patterson@ercot.com>

Subject: FW: PPM : Emergency QSE Transfer

Importance: High

We need to have an internal call with Client Services. Viridity as the current RE would need work with us to stop these LR's in their portfolio. We also will need to find out how quickly our modeling and SCADA teams could respond. There are about 30 LR's left to be moved.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Robert Douglas [<mailto:rdouglas@prioritypower.net>]

Sent: Friday, February 19, 2021 7:57 AM

To: Krein, Steve <Steve.Krein@ercot.com>; Ricaud, Leon <Leon.Ricaud@ercot.com>

Cc: John Blick <jblick@prioritypower.net>; Russell Schwertner <rschwertner@prioritypower.net>; Brandon Schwertner <bschwertner@prioritypower.net>; Jacob Magin <JMagin@Prioritypower.net>

Subject: PPM : Emergency QSE Transfer

Importance: High

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Steve/Leon,

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Steve – this is an extensive list, which we agreed to spread it out over several weeks. Unfortunately, due to the current refusal of Viridity to represent these resources have become stranded assets. I need your help to develop a plan to get these sites moved ASAP.

RD

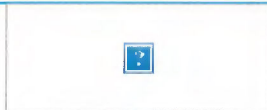
Robert Douglas
rdouglas@prioritypower.net
408.375.0865

From: [Krein, Steve](#)
To: ["Robert Douglas"](#)
Subject: RE: PPM: Critical Load

Robert,

I called and talked to both Mark Patterson and Sandip Sharma and then forwarded your emails. They are working on your emails internally with senior management at ERCOT. I suggested they talk to you if they need more details. I'm not in a position other than to elevate the issue to a higher level in our management chain.

We're trying to do everything we can to get our generation resources back online so hopefully we can get this resolved quickly. Thanks for reaching out to us.



Steve Krein
Demand Integration
2705 West Lake Drive
Taylor, Austin 76574
O: 512-248-6830 | M: 512-417-5742

From: Robert Douglas [mailto:rdouglas@prioritypower.net]
Sent: Wednesday, February 17, 2021 11:55 AM
To: Krein, Steve <Steve.Krein@ercot.com>
Cc: John Bick <jbick@prioritypower.net>
Subject: RE: PPM: Critical Load

******* EXTERNAL email. Please be cautious and evaluate before you click on links, open attachments, or provide credentials. *******

Steve,

Resending w/ John Bick CC'd.

RD

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

From: Robert Douglas
Sent: Wednesday, February 17, 2021 11:43 AM
To: skrein@ercot.com
Subject: PPM: Critical Load
Importance: High

Steve,

Per our conversation, Priority Power Management (PPM) has been contacted by Luminant and the Permian Basin Petroleum Association (In accordance with the Railroad Commission and PUCT) due to critical gas (and related services) loads that are critical to the feedstock for power plants. Currently, PPM manages several gas (and associated services) loads that are down for LR obligation, but are willing to restore if we are granted a waiver from ERCOT. The waiver would need to remain in place until ERCOT returns to NORMAL conditions as some of these resources have Bilateral Obligations. Attached you will find a Critical Load spreadsheet, which represent ~230 MW of load.

Best,

Robert Douglas

rdouglas@prioritypower.net

408.375.0865

