



Filing Receipt

Filing Date - 2023-07-13 03:24:22 PM

Control Number - 53911

Item Number - 51

PROJECT NO. 53911

AGGREGATE DISTRIBUTED	§	BEFORE THE
ENERGY RESOURCE (ADER)	§	PUBLIC UTILITY COMMISSION
ERCOT PILOT PROJECT	§	OF TEXAS

QUARTERLY REPORT OF THE ADER TASK FORCE

The undersigned ADER Task Force members respectfully submit this report covering the second quarter of 2023, pursuant to the provisions of the ADER Task Force Charter.¹ The content of report is informative and requires no Commission action.

I. Background

The ADER Task Force was formed on August 12, 2022 to, among other things, make recommendations for a proposed ERCOT ADER pilot project, assist ERCOT in preparing a Governing Document for that pilot project, develop necessary business procedures and template agreements related to the pilot project, and provide a forum for potential pilot project participants to discuss issues related to the development and launch of the pilot project.² Joining the ADER Task Force members to complete this work are liaisons appointed from the Commission, the Office of Public Utility Counsel, ERCOT, and the ERCOT Technical Advisory Committee.

A Governing Document for Phase 1 of the pilot project, for up to 80MW of ADERs (including up to 40MW providing non-spinning reserve service), was approved by the ERCOT Board of Directors on October 18, 2022. And the Commission discussed and approved the Governing Document on November 3, 2022. Phase 1 of the pilot project began on January 3, 2023.

¹ Prior quarterly reports of the Task Force are available in this project. See Project No. 53911, First Quarterly Report of the ADER Task Force (Sep. 26, 2022); Second Quarterly Report of the ADER Task Force (Dec. 9, 2022).

² See Project No. 53911, Commissioners' Memo at Charter p1 (Aug. 12, 2022).

II. Report on Task Force Activity

On May 12, 2023, the ADER Task Force held a public workshop to discuss with market participants the potential for ADER participation in other programs, such as utility load management programs and ERCOT's Emergency Response Service. The material presented at that workshop, along with a link to an archived replay of the workshop, were filed in this project.³

The ADER Task Force held its fifth official monthly meeting in the Commissioners' Hearing Room on June 28, 2023 to provide the public status reports on the Task Force's activities and receive public comment. Notes from that meeting were filed in this project.⁴

III. Pilot Project Update

At the June 28 Task Force meeting, ERCOT provided an update on the status of Phase 1 of the pilot project.⁵ As of that time, there were 7 total ADER registrations pending for the Houston, North, and South load zones, as reflected in the figure below. Those registrations proposed ADERs to provide 10.1MW of energy and 3.3MW of non-spin ancillary services. The first 6 ADERs are now in the ERCOT network model, and the focus of those ADERs is setting up real-time telemetry. Two ADERs recently completed activating their telemetry and have started the validation process. It is expected that these ADERs could be providing energy and ancillary services in the third quarter of 2023.

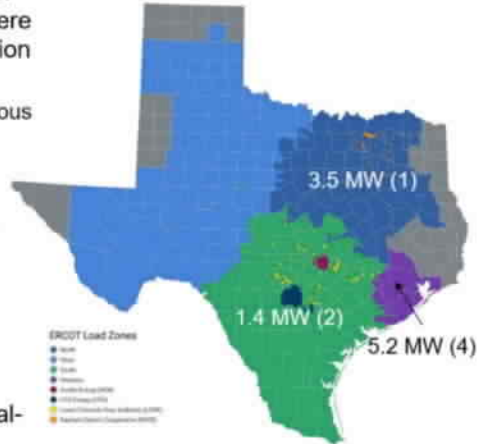
³ See Project No. 53911, Materials Presented at the ADER Task Force workshop titled – Understanding the Potential for Participation in Other Programs (May 12, 2023).

⁴ See Project No. 53911, Notes of the ADER Task Force meeting on June 28, 2023 (July 3, 2023).

⁵ That update is included in the meeting notes from June 28, 2023 referenced in footnote 4.

Aggregate Distribution Energy Resource (ADER) pilot participation as of June 27, 2023

- Prospective participants continue to engage with end-use customers, Distribution Service Providers (DSPs), and ERCOT staff to set up ADERs.
- ERCOT has accepted seven Details of the Aggregation (DOTA) forms and there have been some updates to aggregation populations:
 - Aggregated devices include synchronous generators, stationary batteries, and HVAC systems.
 - All ADERs intend to provide some amount of Non-Spin, based on DOTA submissions.
 - ERCOT-Wide Energy: 10.1 MW
 - ERCOT-Wide Non-Spin: 3.3 MW
- The first 6 ADERs are now in the ERCOT Network Model, with participants focused on setting up Real-Time telemetry.



PUBLIC



2

As shown on the following figure, of the 80MW of energy available in Phase 1, the 10.1MW submitted so far represents just 13% of the limit. Of the 40MW of available non-spin available in Phase 1, the 3.3MW submitted represents just 8% of the limit.

Participation limits tracking as of June 27, 2023

		LZ_AEN	LZ_CPS	LZ_HOUSTON	LZ_LCRA	LZ_NORTH	LZ_RAYBN	LZ_SOUTH	LZ_WEST	ERCOT-WIDE
Energy	Limit (MW)	2.8	5.3	20.3	3.1	28.7	1.2	10.3	8.2	80.0
	Approved (MW)	0	0	5.2	0	3.5	0	1.4	0	10.1
	Unused (MW)	2.8	5.3	15.1	3.1	25.2	1.2	8.9	8.2	69.9
	% Full	0%	0%	26%	0%	12%	0%	14%	0%	13%
Non-Spin	Limit (MW)	1.4	2.7	10.1	1.6	14.3	0.6	5.2	4.1	40.0
	Approved (MW)	0	0	1.8	0	1	0	0.5	0	3.3
	Unused (MW)	1.4	2.7	8.3	1.6	13.3	0.6	4.7	4.1	36.7
	% Full	0%	0%	18%	0%	7%	0%	10%	0%	8%

A single Qualified Scheduling Entity (QSE) is not allowed to register more than 20% of a system-wide limit.

PUBLIC



3

Of the 3 load zones with ADERs submitted, the Houston zone is the highest subscribed zone, being 26% full on energy and 18% full on non-spin (versus 18% and 13%, respectively, at the time of the March 2023 quarterly report). The North zone is 12% subscribed for energy and 7% full for non-spin (versus 7% and 4%, respectively, at the time of the March 2023 quarterly report). And the South zone is 14% full for energy and 10% full for non-spin (versus 8% and 6%, respectively, at the time of the March 2023 quarterly report).

As market participants continue to develop business plans and engage customers for Phase 1 of the pilot project, the Task Force plans a continued dialogue on potential challenges to maximizing the Phase 1 limits of 80MW of ADERs overall, with up to 40MW of ADERs participating in non-spinning reserve service.

IV. Legislative Recommendations

As noted in our December 2022 quarterly report, there are no changes to current law needed for Phase 1 of the pilot project. But the Task Force identified four changes, detailed in that December 2022 quarterly report, that would clarify how provisions in current law apply in the context of the ADER pilot project. Those changes were addressed in Senate Bill 1699, which was signed into law by Governor Abbott and will be effective September 1, 2023.⁶ Task Force members were engaged on that bill to support its passage.

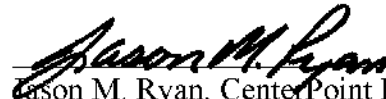
V. The Next Quarterly Report

The ADER Task Force will submit its next official quarterly report on or around September 30, 2023. That next quarterly report will, among other things, review the first

⁶ SB 1699 contained changes to law in addition to the Task Force recommendations on topics other than ADERs. The Task Force recommendations are addressed in sections 1, 3 and 4 of the bill.

9 months of the ADER pilot project and identify any issues that may need to be addressed, as well as a look forward to Phase 2 of the pilot project.

Respectfully submitted,



Jason M. Ryan, CenterPoint Energy, Chair
Arushi Sharma Frank, Tesla, Vice-Chair
Alejandro Ramirez, AEP
Andrew Higgins, CPS Energy
John Padalino, Bandera Electric Cooperative
Martha Henson, Oncor
Jams McGinnis, David Energy
Michael Lee, Octopus Energy
Ned Bonskowski, Vistra
Resmi Surendran, Shell
Amy Heart, SunRun
J.T. Thompson, Generac
Joel Yu, Enchanted Rock
John Bonnin, AutoGrid
Suzanne Bertin, TAEBA
Carmen Best, Recurve
Erik Ela, EPRI
Margo Weisz, TEPR
Miroslav Begovic, Texas A&M University
Scott Hinson, Pecan Street