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PROJECT NO. 54445

REVIEW OF PROTOCOLS ADOPTED	§	PUBLIC UTILITY COMMISSION
BY THE INDEPENDENT	§	
ORGANIZATION	§	OF TEXAS

PROPOSED ORDER APPROVING ERCOT REVISION REQUESTS

This Order addresses thirteen proposed revisions to Electric Reliability Council of Texas (ERCOT) protocols. The Commission approves these revisions and accompanying market impact statements.

At its meeting on June 23-24, 2025, the ERCOT Board of Directors (Board) recommended Commission approval of the following thirteen proposed revisions:

- NPRR1226, Estimated Demand Response Data;
- NPRR1229, Real-Time Constraint Management Plan Cost Recovery Payment;
- NPRR1238, Voluntary Registration of Loads with Curtailable Load Capabilities;
- NOGRR265, Related to NPRR1238, Voluntary Registration of Loads with Curtailable Load Capabilities;
- NPRR1267, Large Load Interconnection Status Report;
- NPRR1271, Revision to User Security Administrator and Digital Certificates Opt-out Eligibility;
- NPRR1276, Move OBD to Section 22 – Emergency Response Service Procurement Methodology;
- NPRR1282, Ancillary Service Duration under Real-Time Co-Optimization;
- NOGRR277, Related to NPRR1282, Ancillary Service Duration under Real-Time Co-Optimization;
- NOGRR275, Eliminate Scheduling Center Requirements for QSEs That Are Not WAN Participants;
- OBDRR054, TDSP(s) Pre-Production Verification Testing;
- PGRR125, Update of Lone Star Infrastructure Protection Act (LSIPA) Compliance Attestation; and
- SCR830, Expose Limited API Endpoints Using Machine-to-Machine Authentication.

On June 26, 2025, for each of these thirteen proposed revision, ERCOT filed a copy of its Board Report, which includes an ERCOT Market Impact Statement, and ERCOT Impact Analysis. These supporting ERCOT documents constitute the market impact analysis.

Commission Staff filed a memorandum on July 24, 2025, related to these revisions in which it recommends that the Commission approve the revisions.

The Commission finds that the revisions to the ERCOT protocols are necessary for the proper functioning of the ERCOT market as demonstrated by the supporting material. The Commission issues the following orders:

1. The Commission approves NPRR1226 and accompanying market impact statement.
2. The Commission approves NPRR1229 and accompanying market impact statement.
3. The Commission approves NPRR1238 and accompanying market impact statement.
4. The Commission approves NOGRR265 and accompanying market impact statement.
5. The Commission approves NPRR1267 and accompanying market impact statement.
6. The Commission approves NPRR1271 and accompanying market impact statement.
7. The Commission approves NPRR1276 and accompanying market impact statement.
8. The Commission approves NPRR1282 and accompanying market impact statement.
9. The Commission approves NOGRR277 and accompanying market impact statement.
10. The Commission approves NOGRR275 and accompanying market impact statement.
11. The Commission approves OBDRR054 and accompanying market impact statement.
12. The Commission approves PGRR125 and accompanying market impact statement.
13. The Commission approves SCR830 and accompanying market impact statement.

Signed at Austin, Texas the _____ day of _____ 2025.

PUBLIC UTILITY COMMISSION OF TEXAS

THOMAS J. GLEESON, CHAIRMAN

KATHLEEN JACKSON, COMMISSIONER

COURTNEY K. HJALTMAN, COMMISSIONER

Public Utility Commission of Texas

Memorandum

TO: Chairman Thomas J. Gleeson
Commissioner Kathleen Jackson
Commissioner Courtney K. Hjaltman

FROM: Kim Van Winkle, Market Analysis Division

DATE: July 24, 2025

RE: July 31, 2025, Open Meeting – Item No. 27
Project No. 54445 – *Review of Protocols Adopted by the Independent Organization
(Discussion and possible action)*

Before the Commission are seven new Nodal Protocol Revision Requests (NPRRs), three Nodal Operating Guide Revision Requests (NOGRRs), one Other Binding Documents Revision Request (OBDRR), one Planning Guide Revision Request (PGRR), and one System Change Request (SCR) passed through the stakeholder process by the Technical Advisory Committee (TAC) and approved by the Electric Reliability Council of Texas (ERCOT) Board of Directors (Board) at its June 24, 2025, meeting. The Board Reports (including ERCOT Market Impact Statements) and ERCOT Impact Analyses for the above revisions were filed in this project on June 26, 2025.¹ These documents are intended to provide an overview describing each revision. Commission Staff recommends approval of each of these revisions.

- **NPRR1226, *Estimated Demand Response Data*** – This NPRR directs ERCOT to prepare and publish estimated Demand response data showing aggregated State Estimated Load (SEL) load points selected by ERCOT. The selection of Loads to be aggregated for the report will be based on periodically updated off-line analysis of the frequency and magnitude of reductions observed in historical State Estimator load data that is associated with market signals such as Locational Marginal Prices (LMPs), high levels of summer month ERCOT load, ERCOT-wide appeal(s) through public voluntary energy appeal, or other ERCOT actions. Changes in the data will reflect a response by the selected Load attributable to:
 - Locational Marginal Prices (LMPs);
 - 4-Coincident Peak (4-CP);
 - Near 4-CP;
 - Conservation Alerts; and
 - Other ERCOT actions.

¹ Notice of Recommended Approval of Revision Requests by ERCOT Board of Directors, AIS Item No. 112 (June 26, 2025).

Staff Recommendation	Approve
Board Action	Unanimously approved
Related Commission/Legislative Directive	N/A
TAC Opposition	None
ERCOT Market Impact Statement	ERCOT Staff has reviewed NPRR1226 and believes the market impact for this NPRR provides a viable means for Market Participants to obtain a data sub-set of estimated Demand response activity.
Sponsor	ERCOT Steel Mills
IMM Opinion	No opinion

- NPRR1229, *Real-Time Constraint Management Plan Cost Recovery Payment*** – This NPRR creates a settlement dispute process that compensates a QSE for verified repair and outage costs when a Constraint Management Plan (CMP) or ERCOT-directed switching instruction implemented by ERCOT causes the trip of a Generation Resource when it would not have occurred absent those conditions. It includes a reporting and review threshold when the annual sum of demonstrable financial losses uplifted to the market exceeds \$1.5 million. It caps maximum amount at \$500k per event.

Staff Recommendation	Approve
Board Action	Approved with one opposing vote OPUC
Related Commission/Legislative Directive	N/A
TAC Opposition	Approved with eight opposing votes from the Consumer (6) (Residential Consumer, OPUC, Lyondell Chemical, CMC Steel, City of Eastland, City of Dallas) and Independent Retail Electric Provider (IREP) (2) (Rhythm Ops, Demand Control 2) Market Segments and one abstention from the IREP (APG&E) Market Segment.
ERCOT Market Impact Statement	ERCOT Staff has reviewed NPRR1229 and believes the market impact for NPRR1229 enables a QSE to submit a Settlement dispute seeking to recover costs attributable to a CMP under certain conditions that were previously not allowed.
Sponsor	STEC
IMM Opinion	No opinion

Explanation of Opposing TAC Votes: At TAC, opponents reiterated concerns that NPRR1229 shifts and socializes costs to the entire market when the charges should be borne by the individual generators. Supporters noted the infrequency of the covered events, existing requirements for reviewing Settlement disputes, and highlighted the assigned priority/rank will delay any associated project spending from NPRR1229 for several years.

Staff Discussion:

Staff supports NPRR1229 in its Board endorsed version. It is addressing rare events which cannot be anticipated by the generator. As this NPRR progressed in stakeholder process, guardrails were added to the dispute process that would enable ERCOT to verify to ensure costs are directly attributed to the ERCOT's action. Reporting and review thresholds were also added to provide transparency to the market. Financial consequence to ERCOT's actions

would also be reflected. Staff disagrees that this would be a revenue stream for generator owners to exploit due to its unpredictability and rare occurrence.

- **NPRR1238, *Voluntary Registration of Loads with Curtailable Load Capabilities*** This NPRR introduces a new category of Voluntary Early Curtailment Load (VECL) and establishes a process by which Loads may operate as a VECL so that they can be accounted for differently in Load shed tables than other Loads.

Staff Recommendation	Approve
Board Action	Unanimously approved
Related Commission/Legislative Directive	N/A
TAC Opposition	None
ERCOT Market Impact Statement	ERCOT Staff has reviewed NPRR1238 and believes that it provides improvements by introducing a new category of VECL and establishing a process by which Loads may operate as a VECL so that they can be accounted for differently in Load shed tables than other Loads.
Sponsor	GSEC
IMM Opinion	No opinion

- **NOGRR265, *Related to NPRR1238, Voluntary Registration of Loads with Curtailable Load Capabilities*** This NOGRR establishes a process by which Loads may operate as a Voluntary Early Curtailment Load (VECL) so that they can be accounted for differently in Load shed tables than other Loads.

Staff Recommendation	Approve
Board Action	Unanimously approved
Related Commission/Legislative Directive	N/A
TAC Opposition	None
ERCOT Market Impact Statement	ERCOT Staff has reviewed NOGRR265 and believes that it provides improvements by introducing a new category of VECL and establishing a process by which Loads may operate as a VECL so that they can be accounted for differently in Load shed tables than other Loads.
Sponsor	GSEC
IMM Opinion	No opinion

- **NPRR1267, *Large Load Interconnection Status Report*** This NPRR requires the publication of a Large Load interconnection status report. Customer information, including Large Load information, is owned by the Customer and is therefore confidential so the information on Large Loads must be aggregated.

Staff Recommendation	Approve
Board Action	Unanimously approved

Related Commission/Legislative Directive	N/A
TAC Opposition	None
ERCOT Market Impact Statement	ERCOT Staff has reviewed NPRR1267 and believes the market impact for NPRR1267, coupled with the implementation of NPRR1234 provides increased publicly available visibility into the characteristics of the growing Large Load interconnection queue
Sponsor	Residential Consumers (Joint Sponsors) and OPUC
IMM Opinion	No opinion

- **NPRR1271, *Revision to User Security Administrator and Digital Certificates Opt-out Eligibility*** This NPRR allows Comision Federal de Electricidad (CFE), which is registered with ERCOT as a Transmission and/or Distribution Service Provider (TDSP), Load Serving Entity (LSE), and Resource Entity, to opt out of the requirement to designate a User Security Administrator (USA) and receive Digital Certificates.

Staff Recommendation	Approve
Board Action	Unanimously approved
Related Commission/Legislative Directive	N/A
TAC Opposition	None
ERCOT Market Impact Statement	ERCOT Staff has reviewed NPRR1271 and believes that it provides process improvements by allowing CFE to opt out of the requirement to designate a USA and receive Digital Certificates.
Sponsor	ERCOT
IMM Opinion	No opinion

- **NPRR1276, *Move OBD to Section 22 – Emergency Response Service Procurement Methodology*** – This NPRR incorporates the Other Binding Document “Emergency Response Service Procurement Methodology” into the Protocols to standardize the approval process.

Staff Recommendation	Approve
Board Action	Unanimously approved
Related Commission/Legislative Directive	N/A
TAC Opposition	None
ERCOT Market Impact Statement	ERCOT Staff has reviewed NPRR1276 and believes it has a positive market impact by standardizing the approval process for binding language.
Sponsor	ERCOT
IMM Opinion	No opinion

- **NPRR1282, *Ancillary Service Duration under Real-Time Co-Optimization*** This NPRR makes changes to the duration requirements for the following Ancillary Services in preparation for Real-Time Co-optimization plus Batteries (RTC+B):
 - + Updates duration requirements for Regulation Service and Responsive Reserve (RRS) to thirty minutes; and

- + Updates duration requirement for ERCOT Contingency Reserve Service (ECRS) to one hour.

This NPRR also updates the requirement for Reliability Unit Commitment (RUC) studies to use a one-hour duration for all Ancillary Service types, excluding Fast Frequency Response (FFR).

Staff Recommendation	Approve
Board Action	Unanimously approved
Related Commission/Legislative Directive	N/A
TAC Opposition	Approved with two opposing votes from the Independent Generator (Engie, Jupiter Power) Market Segment and one abstention from the IPM (Tenaska) Market Segment.
ERCOT Market Impact Statement	ERCOT Staff has reviewed NPRR1282 and believes the market impact for NPRR1282 provides reasonable, study-based duration requirements for these Ancillary Services in preparation for RTC+B go-live, and ERCOT agrees that these duration parameters can be revisited after go-live when there is history with the RTC+B systems implemented and observations regarding market and reliability outcomes.
Sponsor	ERCOT
IMM Opinion	Opposes

Explanation of Opposing TAC Votes: Jupiter voted “no” as both Joint Commenter’s proposal in Joint Commenters’ May 12, 2025, comments to decouple duration qualification requirements from Real-Time SOC requirements and the IMM’s proposal for lower duration and Real-Time SOC requirements for Non-Spin are superior to the TAC passed version for both reliability and market outcomes. NPRR1282 as passed by TAC will decrease the amount of MWs from ESRs available to provide reserves during the times like the solar ramp, which will degrade reliability and increase price of reserves. A four-hour SOC requirement for Non-Spin for a 5-min SCED award would mean that an ESR would need to hold SOC for 48 times what SCED needs, which may have serious consequences, like stranded MW or no “foot room” when needed to absorb power when for large load trips. Engie agrees with Jupiter’s comments.

Staff Discussion:

Staff supports NPRR 1282. In Project 55845 *Review of the Ancillary Services in the ERCOT Market* Commission finding 7d stated that “Examining the length of response time required for these two AS will likely benefit the ERCOT market, but it is not currently a top priority, given other market improvement efforts in-flight. ERCOT and stakeholders should revisit duration requirements for ECRS and Non-Spin after RTC+B has stabilized.”² This NPRR was submitted by ERCOT Staff on April 29, 2025 and did not include non-spin duration requirements. ERCOT Staff indicated numerous times that any reduction in non-spin duration better addressed after DRRS implementation which does address a longer time risk period. Duration requirements should be developed to align with the temporal risks they are mitigating and be technology agnostic. Staff

² Project 55845, AIS Item No. 46

supports ERCOT providing more analysis to the stakeholders after RTC+B is stabilized regarding this topic.

- **NOGRR277, *Related to NPRR1282, Ancillary Service Duration under Real-Time Co-Optimization*** – This NOGRR updates duration requirements for ERCOT Contingency Reserve Service (ECRS) to one hour.

Staff Recommendation	Approve
Board Action	Unanimously approved
Related Commission/Legislative Directive	N/A
TAC Opposition	Approved with two abstentions from the Independent Generator (Engie, Jupiter Power) Market Segment.
ERCOT Market Impact Statement	ERCOT Staff has reviewed NOGRR277 and believes the market impact for NOGRR277, along with NPRR1282, provides reasonable, study-based duration requirements for ECRS in preparation for RTC+B go-live, and ERCOT agrees that this duration parameter can be revisited after go-live when there is history with the RTC+B systems implemented and observations regarding market and reliability outcomes.
Sponsor	ERCOT
IMM Opinion	No opinion

Staff Discussion: See NPRR1282 above.

- **NOGRR275, *Eliminate Scheduling Center Requirements for QSEs That Are Not WAN Participants*** This NOGRR aligns the Nodal Operating Guide with the Protocols to eliminate scheduling center requirements for Qualified Scheduling Entities (QSEs) that are not Wide Area Network (WAN) Participants.

Staff Recommendation	Approve
Board Action	Unanimously approved
Related Commission/Legislative Directive	N/A
TAC Opposition	None
ERCOT Market Impact Statement	ERCOT Staff has reviewed NOGRR275 and believes that it provides process improvements by aligning the Nodal Operating Guide with the Protocols to eliminate scheduling center requirements for QSEs that are not WAN Participants.
Sponsor	ERCOT
IMM Opinion	No opinion

- **OBDRR054, *TDSP(s) Pre-Production Verification Testing*** – This OBDRR creates a process by which Market Participants will be required by the Transmission and/or Distribution Service Provider (TDSP) to successfully test retail transactions prior to their Data Universal Numbering System (DUNS) being activated in a TDSP's production system. This pre-production verification will provide TDSP(s) reassurances of Market Participant's production readiness based upon successful testing utilizing current transaction operating systems and processors.

Staff Recommendation	Approve
Board Action	Unanimously approved
Related Commission/Legislative Directive	N/A
TAC Opposition	None
ERCOT Market Impact Statement	ERCOT Staff has reviewed OBDRR054 and believes that it provides improvements by creating a process in which Market Participants will be required by the TDSP to successfully test retail transactions prior to their DUNS being activated in a TDSP's production system.
Sponsor	CenterPoint Energy
IMM Opinion	No opinion

- PGR125, Update of Lone Star Infrastructure Protection Act (LSIPA) Compliance Attestation** This PGR makes the LSIPA attestation in the Planning Guide consistent with the language in ERCOT's existing Protocol Section 23, Form Q, Attestation Regarding Market Participant Citizenship, Ownership, or Headquarters. Specifically, it adds language that would permit an Interconnecting Entity (IE) or property owner to demonstrate compliance under LSIPA even if it has a subsidiary or Affiliate that falls under any of the citizenship or headquarter criteria of LSIPA, so long as the subsidiary does not have direct or remote access to or control of the project, the real property utilized by the project, the Resource Integration and Ongoing Operations (RIOO) system, the Market Information System (MIS), other ERCOT systems, or any confidential data from such systems.

Staff Recommendation	Approve
Board Action	Unanimously approved
Related Commission/Legislative Directive	N/A
TAC Opposition	None
ERCOT Market Impact Statement	ERCOT Staff has reviewed PGR125 and believes that permitting an IE or property owner to demonstrate compliance under LSIPA under certain conditions even if it has a subsidiary or Affiliate that falls under any of the citizenship or headquarter criteria of LSIPA, will have a positive market impact by avoiding further delay of the development of new generation within ERCOT.
Sponsor	ERCOT
IMM Opinion	No opinion

- SCR830, Expose Limited API Endpoints Using Machine-to-Machine Authentication** This SCR implements a machine-to-machine ("M2M") client credentials authentication flow using OAuth 2.0 to allow for certain read-only endpoints of the GINR Rest Application Programming Interface (API) to be exposed for authorized use.

Staff Recommendation	Approve
Board Action	Unanimously approved
Related Commission/Legislative Directive	N/A
TAC Opposition	None

ERCOT Market Impact Statement	ERCOT Staff has reviewed SCR830 and believes it has a positive market impact as it improves data quality by reducing the number of data errors and discrepancies between Market Participant-internal work management system and the R100 system.
Sponsor	American Electric Power
IMM Opinion	No opinion

Please find attached a proposed order for your consideration consistent with Commission Staff's recommendations in this memo.