



## **Filing Receipt**

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**Item Number - 32**

# *Public Utility Commission of Texas*

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## **Memorandum**

**TO:** Interim Chair Kathleen Jackson  
Commissioner Will McAdams  
Commissioner Lori Cobos  
Commissioner Jimmy Glotfelty

**FROM:** Mariah Benson, Market Analysis Division  
Harika Basaran, Market Analysis Division

**DATE:** October 5, 2023

**RE:** October 12, 2023, Open Meeting – Item No. 20  
Project No. 54445 – *CY 2023 Review of Rules Adopted by the Independent Organization (Discussion and possible action)*

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Before the Commission are 13 Nodal Protocol Revision Requests (NPRR), two Planning Guide Revision Requests (PGRR), one Retail Market Guide Revision Request (RMGRR), seven Nodal Operating Guide Revision Requests (NOGRR), one Load Profiling Guide Revision Request (LPGRR), two Resource Registration Glossary Revision Requests (RRGRR), two Other Binding Document Revision Requests (OBDRR), and one Verifiable Cost Manual Revision Request (VCMRR) 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 their August 31, 2023, meeting. The Board Report and ERCOT Impact Analysis for the above revisions were filed in this project on September 8, 2023.<sup>1</sup> These documents are intended to provide an overview describing each revision. Commission Staff recommends approval of each of these items.

- NPRR1150, *Related to NOGRR230, WAN Participant Security* This NPRR adds a requirement in Section 16.2.1 that states if a Qualified Scheduling Entity (QSE) represents a Resource Entity, Emergency Response Service (ERS) Resource, or another QSE and receives or transmits Wide Area Network (WAN) Data, as that term is defined in Section 2.1, then it must maintain connection to a Secure Private Network (SPN) as described in Nodal Operating Guide Section 7, Telemetry and Communication. It also adds two definitions ('Wide Area Network (WAN)' and 'Wide Area Network (WAN) Participant') which were previously located in Nodal Operating Guide Section 1.4, Definitions.

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<sup>1</sup> Notice of Recommended Approval of Revision Requests by ERCOT Board of Directors, AIS Item No. 28.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NPRR1150 and believes that it has a positive market impact by addressing current operational issues by adding a requirement that states if a QSE represents a Resource Entity, ERS Resource, or another QSE and receives or transmits WAN Data, then it must maintain connection to an SPN.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- NOGRR230, *WAN Participant Security* – This NOGRR ensures integrity of WAN Data transmission by adding a requirement to share data in a way that prevents Denial of Service (DoS) and Distributed Denial of Service (DDoS) attacks.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NOGRR230 and believes that it has a positive market impact by both addressing current operational issues and providing market efficiencies or enhancements by adding a requirement to share data in a way that prevents DoS and DDoS.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- NPRR1163, *Related to LPGRR070, Discontinuation of Interval Data Recorder (IDR) Meter Weather Sensitivity Process* – This NPRR discontinues the process of evaluating Interval Data Recorder (IDR) Meters to determine if they are Weather Sensitive (WS), in alignment with LPGRR070.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NPRR1163 and believes the market impact for NPRR1163 is that it appropriately discontinues the process of evaluating IDR Meters to determine if they are Weather Sensitive, a process that has become unnecessary with the increased use of BUSLRG/BUSLRGDG profile type codes.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion.

- **LPGRR070, *Discontinuation of Interval Data Recorder (IDR) Meter Weather Sensitivity Process***– This LPGRR discontinues the process of evaluating IDR Meters to determine if they are WS.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed LPGRR070 and believes the market impact for LPGRR070 appropriately discontinues the process of evaluating IDR Meters to determine if they are Weather Sensitive, a process that has become unnecessary with the increased use of BUSLRG/BUSLRGDG profile type codes.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- **NPRR1164, *Black Start and Isochronous Control Capable Identification*** This NPRR requires that Resource Entities identify whether a physical Resource has the potential capability (even if unverified) to be called upon or used during a black start emergency or if it has the capability for isochronous control and requires that Resource Entities and Transmission Service Providers (TSPs) identify if a breaker or switch has a Synchroscope or Synchronism Check Relay. It also defines the terms Black Start Capable Resource, Isochronous Control Capable Resource, Synchroscope, and Synchronism Check Relay.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NPRR1164 and believes the market impact for NPRR1164 is improved Black Start training capabilities and, if needed, improved situational awareness during a Blackout, as lists of units that are Black Start capable and are capable of isochronous control will be maintained in the Network Operations Model and Resource Registration data, and may be integrated with the ERCOT operations tools.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- **RRGRR033, *Related to NPRR1164, Black Start and Isochronous Control Capable Identification*** – This RRGRR adds data to the Resource Registration Glossary pursuant to NPRR1164.

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

<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed RRGR033 and believes the market impact for RRGR033 is improved Black Start training capabilities and, if needed, improved situational awareness during a Blackout, as lists of units that are Black Start capable and are capable of isochronous control will be maintained in the Network Operations Model and Resource Registration data, and may be integrated with the ERCOT operations tools.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- *NPRR1165, Revisions to Requirements of Providing Audited Financial Statements and Providing Independent Amount* – This NPRR strengthens ERCOT’s market entry eligibility and continued participation requirements for ERCOT Counter-Parties (i.e., QSEs and Congestion Revenue Right (CRR) Account Holders). Specific changes include:
  - Removing minimum capitalization requirements;
  - Requiring all ERCOT Counter-Parties to post Independent Amounts;
  - Removing references to guarantors;
  - Clarifying the requirement for financial statements; and
 Referencing International Financial Reporting Standards (IFRS) rather than retired International Accounting Standards (IAS).

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	One opposing vote from the Municipal (CPS Energy) Market Segment
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NPRR1165 and believes the market impact for NPRR1165 strengthens ERCOT’s market entry eligibility and continued participation requirements for ERCOT Counter-Parties.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- *NPRR1171, Requirements for DGRs and DESRs on Circuits Subject to Load Shedding* – This NPRR clarifies various reliability requirements for Distribution Generation Resources (DGRs) and Distribution Energy Storage Resources (DESRs) that are seeking qualification to provide Ancillary Services or participate in Security-Constrained Economic Dispatch (SCED), as follows:
  - Paragraph (1) of Section 3.8.6 allows for a Distributed Energy Resource (DER) situated on a circuit subject to disconnection during load shed events to participate in the Day-Ahead Market (DAM) and provide Ancillary Services;
  - Section 3.16 recognizes that ERCOT will establish limits on Ancillary Services that may be provided by DERs on circuits subject to disconnection during load shed events; and
  - New Section 23, Form Q, establishes a formal notification process for the Distribution Service Provider (DSP) to indicate whether the interconnecting feeder for the DER is subject to load shed and whether the DSP has determined that there are operational restrictions on the DER.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	Project 51603 Review of Distributed Energy Resources.
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NPRR1171 and believes the market impact for NPRR1171 is identification of Ancillary Services that can be provided by DGRs and DESRs on feeders subject to Load shedding.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- *RRGRR035, Related to NPRR1171, Requirements for DGRs and DESRs on Circuits Subject to Load Shedding* This RRGRR adds data fields consistent with NPRR1171.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	Project 51603 Review of Distributed Energy Resources.
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed RRGRR035 and believes the market impact for RRGRR035 is identification of Ancillary Services that can be provided by DGRs and DESRs on feeders subject to Load shedding.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- *NOGRR250, Related to NPRR1171, Requirements for DGRs and DESRs on Circuits Subject to Load Shedding* This NOGRR removes language that prohibits Distribution Service Providers (DSPs) from connecting Distribution Generation Resources (DGRs) and Distribution Energy Storage Resources (DESRs) to circuits included in an Under-Frequency Load Shed (UFLS) scheme to align with NPRR1171.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	Project 51603 Review of Distributed Energy Resources.
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NOGRR250 and believes the market impact for NOGRR250 is identification of Ancillary Services that can be provided by DGRs and DESRs on feeders subject to Load shedding.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- *NPRR1173, Changes Consistent with the Options Available to an MOU and EC Entering Retail Competition in the ERCOT Market* – This NPRR provides needed references to the Retail Market Guide to account for Texas Standard Electronic Transaction (TX SET) processing options for Municipally Owned Utility (MOU) or Electric Cooperative (EC) service areas.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NPRR1173 and believes that it has a positive market impact by addressing current operational issues by inserting references to account for TX SET processing options for MOU or EC service areas.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- *RMGRR174, Related to NPRR1173, Changes Consistent With the Options Available to an MOU and EC Entering Retail Competition in the ERCOT Market* This RMGRR provides needed references to Section 8.1 to account for TX SET processing options for MOU or EC service areas. This RMGRR also provides the expected operational references and practices of Nueces Electric Cooperative (NEC) and Lubbock Power & Light (LP&L).

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed RMGRR174 and believes that it has a positive market impact by addressing current operational issues by adding references to account for TX SET processing options for MOU or EC service areas and providing expected operational references and practices of NEC and LP&L.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- *NPRR1174, Market Participant's Return of Settlement Funds to ERCOT Following Receipt of Overpayment* – This NPRR establishes a process that will allow a QSE or CRR Account Holder to return Settlement funds to ERCOT if the QSE or CRR Account Holder receives an overpayment from ERCOT.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NPRR1174 and believes the market impact for NPRR1174 provides a clear, cost-effective method to return overpayments to ERCOT for distribution to appropriate Market Participants.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	Supports

- *NPRR1175, Revisions to Market Entry Financial Qualifications and Continued Participation Requirements* This NPRR strengthens ERCOT's market entry qualification and continued

participation requirements for ERCOT Counter-Parties, classifies information provided in the background check as Protected Information, modifies application forms for QSEs and CRR Account Holders, and adds a new background check fee to the ERCOT Fee Schedule. This NPRR makes the following modifications to Section 16, Registration and Qualification of Market Participants:

- Creates a new background check process as a part of ERCOT’s review of current and prospective Counter-Parties;
- Authorizes ERCOT to review current and prospective Counter-Parties to determine whether they pose an unreasonable financial risk to ERCOT based on their background check;
- Authorizes ERCOT to suspend a QSE or CRR Account Holder if it poses an unreasonable financial risk; and
- Authorizes ERCOT to terminate the registration of a Counter-Party if it is deemed an unreasonable financial risk that cannot be remedied.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NPRR1175 and believes the market impact for NPRR1175 is mitigated exposure to uplifts and bad actors by reducing the risk, by way of background checks, of re-entry to the ERCOT market by participants with a history of market manipulation or sanction by other markets.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- *NPRR1176, Update to EEA Trigger Levels* – This NPRR revises the Energy Emergency Alert (EEA) procedures to require a declaration of EEA Level 3 when Physical Responsive Capability (PRC) cannot be maintained above 1,500 MW and will require ERCOT to shed firm load to recover 1,500 MW of reserves within 30 minutes. It also modifies the trigger levels for EEA Level 1 and EEA Level 2, changes the trigger for ERCOT’s consideration of alternative transmission ratings or configurations from Advisory to Watch when PRC drops below 3,000 MW, and restores a frequency trigger for the declaration of EEA Level 3 if the steady-state frequency drops below 59.8 Hz for any length of time.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NPRR1176 and believes it is necessary to increase the minimum PRC level that must be maintained so that the ERCOT grid can withstand the loss up to ERCOT’s single largest contingency and not trigger UFLS during the operating conditions the grid typically operates with lower reserves.
<b>Sponsor</b>	ERCOT



<b>IMM Opinion</b>	No opinion
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- NOGRR252, *Related to NPRR1176, Update to EEA Trigger Levels* – This NOGRR aligns Nodal Operating Guide language with NPRR1176.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NOGRR252 and believes it is necessary to increase the minimum PRC level that must be maintained so that the ERCOT grid can withstand the loss up to ERCOT's single largest contingency and not trigger Under-Frequency Load Shed (UFLS) during the operating conditions the grid typically operates with lower reserves.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- NPRR1182, *Inclusion of Controllable Load Resources and Energy Storage Resources in the Constraint Competitiveness Test Process* – This NPRR incorporates Controllable Load Resources and Energy Storage Resources (ESRs) into both the Long-Term and Security-Constrained Economic Dispatch (SCED) versions of the Constraint Competitiveness Test (CCT). In the case of Controllable Load Resources, the Resources will not themselves be mitigated but will be used to identify if a Market Participant has market power in resolving a constraint on the transmission system. As is the case for other Resources, registration data will be used for these Resources in the Long-Term CCT process and Real-Time telemetry will be used in the SCED CCT process.
  - The language specific to ESRs (paragraph (3)(e) of Section 3.19.1) is only intended to become effective with the implementation of NPRR1014, BESTF-4 Energy Storage Resource Single Model.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NPRR1182 and believes the market impact for NPRR1182 incorporates ESRs and Controllable Load Resources into CCT processes to better identify Market Participants' market power and the implementation of these changes will improve the ability of the CCT process to evaluate competitiveness of the market in solving transmission congestion.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	Supports

- NPRR1183, *ECEII Definition Clarification and Updates to Posting Rules for Certain Documents without ECEII* – This NPRR revises rules associated with the general information documents determined not to include ERCOT Critical Energy Infrastructure Information

(ECEII) to make them available to the public on the ERCOT website. It also removes from the definition of ECEII the reference to the federal Freedom of Information Act (FOIA) and removes antiquated or duplicative language related to Reliability Must-Run (RMR).

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NPRR1183 and believes the market impact for NPRR1183 is improved information exchange to facilitate collaborative interaction, as certain documents have been determined to not contain ECEII but rather general information relating to planning financial criteria, Resource forecast criteria, Resource status updates not related to a Forced Outage, and projected Ancillary Service requirements.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- *PGRR108, Related to NPRR1183, ECEII Definition Clarification and Updates to Posting Rules for Certain Documents without ECEII* – This PGRR updates Planning Guide language to reflect the current practice of posting versions of the Regional Transmission Plan and versions of Geomagnetic Disturbance (GMD) assessments, correspondingly updates the data sets in paragraph (2) of Section 7.1, and generally updates posting locations from “Public” to “ERCOT website”.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed PGRR108 and believes the market impact for PGRR108 is Planning Guide language conformed to the existing practices of posting versions of the Regional Transmission Plan and versions of documents related to GMD activities.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- *NPRR1185, HDL Override Payment Provisions for Verbal Dispatch Instructions* This NPRR adds in a provision for recovery of a demonstrable financial loss arising from a Verbal Dispatch Instruction (VDI) to reduce real power output.

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

<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NPRR1185 and believes the market impact for NPRR1185 provides QSEs reasonable protection from suffering unrecoverable financial losses from VDIs to reduce real power output.
<b>Sponsor</b>	LCRA
<b>IMM Opinion</b>	No opinion

- NPRR1189, *Updates to Language to Clarify the Allowable Regulation Ancillary Service Trades* – This NPRR makes changes to the grey-boxed NPRR1136 language in Section 4.4.7.3 to align the language with existing requirements in paragraph (10) in Section 3.16, Standards for Determining Ancillary Service Quantities, which states that “Resources can only provide FRRS-Up or FRRS-Down if awarded Regulation Service in the Day-Ahead Market (DAM) for that particular Resource, up to the awarded quantity”.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NPRR1189 and believes the market impact for NPRR1189 resolves conflicting language between existing Protocols and grey-boxed NPRR1136 language regarding allowable Ancillary Service trades.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	Supports

- NOGRR215, *Limit Use of Remedial Action Schemes* This NOGRR will allow new Remedial Action Schemes (RASs) to be used only to address an actual or anticipated violation of transmission security criteria when market tools are insufficient to address those violations. It also clarifies the procedures for retiring RASs.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NOGRR215 and believes that it has a positive market impact by addressing current operational issues by allowing new RASs to be used only to address an actual or anticipated violation of transmission security criteria when market tools are insufficient to address those violations or to allow dispatchable Generation Resources to meet the Planning Guide minimum deliverability criteria.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- NOGRR247, *Change UFLS Stages and Load Relief Amounts* This NOGRR modifies the ERCOT automatic Under-Frequency Load Shed (UFLS) program by increasing the number of load shed stages from three to five and changing the Transmission Operator (TO) load relief amounts to uniformly increment by 5% for each stage.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NOGRR247 and believes it will have a positive market impact by reducing the risk of generator instability during an underfrequency Load shed event.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- NOGRR249, *Communication of System Operating Limit Exceedances* This NOGRR specifies the methods for TOs to receive electronic communication of system operating limit exceedances from ERCOT.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NOGRR249 and believes the market impact for NOGRR249 is the establishment of an effective method for communicating system operating limit exceedances to impacted TOs in accordance with The North American Electric Reliability Corporation (NERC) Reliability Standards FAC-011-4, System Operating Limits Methodology for the Operations Horizon, and IRO-008-3, Reliability Coordinator Operational Analyses and Real-time Assessments.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- NOGRR251, *Add Cold Weather Conditions to Template for Emergency Operations Plan* This NOGRR aligns Section 8, Attachment L with North American Electric Reliability Corporation (NERC) Reliability Standard EOP-011-2, Emergency Preparedness and Operations, by adding cold weather conditions to the template used for the development of Emergency Operations Plans.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed NOGRR251 and believes the market impact for NOGRR251 aligns the template used by TOs to develop their emergency operations plans with the NERC Reliability Standard requiring applicable entities to include provisions to determine the reliability impacts of cold weather conditions within their operating plan(s) to mitigate operating emergencies.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- OBDRR045, *Additional Revisions to Demand Response Data Definitions and Technical Specifications* – This OBDRR incorporates minor edits to the Other Binding Document Demand Response Data Definitions and Technical Specifications. Changes include modifications to the list of Electric Service Identifiers (ESI IDs) provided to Retail Electric Providers (REPs) as well as a correction of several dates.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed OBDRR045 and believes that it has a positive market impact by providing administrative changes to the Other Binding Document Demand Response Data Definitions and Technical Specifications including modifications to the list of ESI IDs that are provided to REPs as well as a correction of several dates.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- OBDRR048, *Implementation of Operating Reserve Demand Curve (ORDC) Multi-Step Price Floor* – This OBDRR adds two price floors to the Operating Reserve Demand Curve (ORDC): one at reserve levels below 6,500 MW (\$20 per MWh), and another between 6,500 MW and 7,000 MW (\$10 per MWh).

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	P-53298 Wholesale Electric Market Design Implementation
<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed OBDRR048 and believes the market impact for OBDRR048 implements the PUCT-directed multi-step ORDC price floor, sends an ongoing signal for generators to self-commit, and incentivizes supply to increase in Real-Time, which will minimize ERCOT's need to utilize the RUC to commit out-of-market Resources.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- PGRR103, *Establish Time Limit for Generator Commissioning Following Approval to Synchronize* – This PGRR requires an Interconnecting Entity to complete all conditions for commercial operation of a Generation Resource or ESR within 300 days of receiving approval for Initial Synchronization above 20 MVA from ERCOT.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A

<b>TAC Opposition</b>	None
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed PGRR103 and believes the market impact for PGRR103 helps alleviate reliability risk stemming from long delays in completing the Resource commission process by requiring Generation Resources and ESRs to complete all conditions required for commercial operation within 300 days of receiving ERCOT's approval for Initial Synchronization above 20 MVA.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	No opinion

- VCMRR034, *Excluding RUC Approved Fuel Costs from Fuel Adders* – This VCMRR provides that actual fuel purchases that were used to determine the Reliability Unit Commitment (RUC) Guarantee, as described in Protocol Section 9.14.7, Disputes for RUC Make-Whole Payment for Fuel Costs, must not be included when calculating fuel adders.

<b>Staff Recommendation</b>	Approve
<b>Board Action</b>	Unanimously approved
<b>Related Commission/Legislative Directive</b>	N/A
<b>TAC Opposition</b>	One opposing vote (Luminant) and three abstentions (Calpine, ENGIE, Jupiter Power) from the Independent Generator Market Segment.
<b>ERCOT Market Impact Statement</b>	ERCOT Staff has reviewed VCMRR034 and believes the market impact for VCMRR034 is the correct compensation for Resources for actual fuel costs via the dispute process pursuant to Protocol Section 9.14.7.
<b>Sponsor</b>	ERCOT
<b>IMM Opinion</b>	Supports

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

**PROJECT NO. 54445**

**CY 2023 REVIEW OF RULES  
ADOPTED BY THE INDEPENDENT  
ORGANIZATION**

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**PUBLIC UTILITY COMMISSION  
  
OF TEXAS**

**PROPOSED ORDER APPROVING ERCOT REVISION REQUESTS**

This Order addresses 29 revisions to Electric Reliability Council of Texas (ERCOT) rules. The Commission approves the revisions and accompanying market impact statements.

At its meeting on August 31, 2023, the ERCOT Board of Directors (Board) recommended Commission approval of various proposed revisions to the ERCOT rules (Revision Requests), including: 13 Nodal Protocol Revision Requests (NPRRs), one Load Profiling Guide Revision Request (LPGRR), seven Nodal Operating Guide Revision Requests (NOGRRs), two Other Binding Document Revision Requests (OBDRRs), two Planning Guide Revision Requests (PGRRs), one Retail Market Guide Revision Request (RMGRR), two Resource Registration Glossary Revision Requests (RRGRRs), and one Verifiable Cost Manual Revision Request (VCMRR):

- NPRR1150, *Related to NOGRR230, WAN Participant Security;*
- NPRR1163, *Related to LPGRR070, Discontinuation of Interval Data Recorder (IDR) Meter Weather Sensitivity Process;*
- NPRR1164, *Black Start and Isochronous Control Capable Identification;*
- NPRR1165, *Revisions to Requirements of Providing Audited Financial Statements and Providing Independent Amount;*
- NPRR1171, *Requirements for DGRs and DESRs on Circuits Subject to Load Shedding;*
- NPRR1173, *Changes Consistent With the Options Available to an MOU and EC Entering Retail Competition in the ERCOT Market;*
- NPRR1174, *Market Participant's Return of Settlement Funds to ERCOT Following Receipt of Overpayment;*
- NPRR1175, *Revisions to Market Entry Financial Qualifications and Continued Participation Requirements;*

- NPRR1176, *Update to EEA Trigger Levels;*
- NPRR1182, *Inclusion of Controllable Load Resources and Energy Storage Resources in the Constraint Competitiveness Test Process;*
- NPRR1183, *ECEII Definition Clarification and Updates to Posting Rules for Certain Documents without ECEII;*
- NPRR1185, *HDL Override Payment Provisions for Verbal Dispatch Instructions;*
- NPRR1189, *Updates to Language to Clarify the Allowable Regulation Ancillary Service Trades;*
- LPGRR070, *Discontinuation of Interval Data Recorder (IDR) Meter Weather Sensitivity Process;*
- NOGRR215, *Limit Use of Remedial Action Schemes;*
- NOGRR230, *WAN Participant Security;*
- NOGRR247, *Change UFLS Stages and Load Relief Amounts;*
- NOGRR249, *Communication of System Operating Limit Exceedances;*
- NOGRR250, *Related to NPRR1171, Requirements for DGRs and DESRs on Circuits Subject to Load Shedding;*
- NOGRR251, *Add Cold Weather Conditions to Template for Emergency Operations Plan;*
- NOGRR252, *Related to NPRR1176, Update to EEA Trigger Levels;*
- OBDRR045, *Additional Revisions to Demand Response Data Definitions and Technical Specifications;*
- OBDRR048, *Implementation of Operating Reserve Demand Curve (ORDC) Multi-Step Price Floor;*
- PGRR103, *Establish Time Limit for Generator Commissioning Following Approval to Synchronize;*
- PGRR108, *Related to NPRR1183, ECEII Definition Clarification and Updates to Posting Rules for Certain Documents without ECEII;*
- RMGRR174, *Related to NPRR1173, Changes Consistent With the Options Available to an MOU and EC Entering Retail Competition in the ERCOT Market;*



- *RRGRR033, Related to NPRR1164, Black Start and Isochronous Control Capable Identification;*
- *RRGRR035, Related to NPRR1171, Requirements for DGRs and DESRs on Circuits Subject to Load Shedding; and*
- *VCMR034, Excluding RUC Approved Fuel Costs from Fuel Adders.*

On September 8, 2023, for each of the above proposed revisions, ERCOT filed a copy of its Board Report, which includes an ERCOT Market Impact Statement, and ERCOT Impact Analysis for the above Revision Requests. These supporting ERCOT documents constitute the market impact analysis. Commission Staff filed a memorandum on October 5, 2023, related to these revisions in which it recommends that the Commission approve these revisions to the rules.

The Commission finds that these revisions to the ERCOT rules 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 NPRR1150 and accompanying market impact statement.
2. The Commission approves NPRR1163 and accompanying market impact statement.
3. The Commission approves NPRR1164 and accompanying market impact statement.
4. The Commission approves NPRR1165 and accompanying market impact statement.
5. The Commission approves NPRR1171 and accompanying market impact statement.
6. The Commission approves NPRR1173 and accompanying market impact statement.
7. The Commission approves NPRR1174 and accompanying market impact statement.
8. The Commission approves NPRR1175 and accompanying market impact statement.
9. The Commission approves NPRR1176 and accompanying market impact statement.
10. The Commission approves NPRR1182 and accompanying market impact statement.
11. The Commission approves NPRR1183 and accompanying market impact statement.
12. The Commission approves NPRR1185 and accompanying market impact statement.
13. The Commission approves NPRR1189 and accompanying market impact statement.
14. The Commission approves LPGR070 and accompanying market impact statement.

15. The Commission approves NOGRR215 and accompanying market impact statement.
16. The Commission approves NOGRR230 and accompanying market impact statement.
17. The Commission approves NOGRR247 and accompanying market impact statement.
18. The Commission approves NOGRR249 and accompanying market impact statement.
19. The Commission approves NOGRR250 and accompanying market impact statement.
20. The Commission approves NOGRR251 and accompanying market impact statement.
21. The Commission approves NOGRR252 and accompanying market impact statement.
22. The Commission approves OBDRR045 and accompanying market impact statement.
23. The Commission approves OBDRR048 and accompanying market impact statement.
24. The Commission approves PGRR103 and accompanying market impact statement.
25. The Commission approves PGRR108 and accompanying market impact statement.
26. The Commission approves RMGRR174 and accompanying market impact statement.
27. The Commission approves RRGRR033 and accompanying market impact statement.
28. The Commission approves RRGRR035 and accompanying market impact statement.
29. The Commission approves VCMRR034 and accompanying market impact statement.

Signed at Austin, Texas the \_\_\_\_\_ day of \_\_\_\_\_ 2023

**PUBLIC UTILITY COMMISSION OF TEXAS**

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**KATHLEEN JACKSON, INTERIM CHAIR**

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**WILL MCADAMS, COMMISSIONER**

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**LORI COBOS, COMMISSIONER**

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**JIMMY GLOTFELTY, COMMISSIONER**