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PROJECT NO. 55999

CY 2024 REPORTS OF THE	§	PUBLIC UTILITY COMMISSION
ELECTRIC RELIABILITY COUNCIL	§	
OF TEXAS	§	OF TEXAS

ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.'S
NOTICE OF PROTOCOL AND PROCEDURAL RULE VIOLATIONS

Electric Reliability Council of Texas, Inc. (ERCOT) hereby notifies the Public Utility Commission of Texas (Commission) of the following non-reliability related ERCOT Protocol and procedural rule violations:

A. Pre-notice of Disclosure of Certain Information

Under ERCOT Protocol Section 1.3.5, prior to disclosing Protected Information (PI) or ERCOT Critical Energy Infrastructure Information (ECEII) to a vendor or potential vendor, ERCOT must first provide written notice of disclosure to the party that provided ERCOT the information (Disclosing Party). The notice requirement in Section 1.3.5 requires that ERCOT cooperate with the Disclosing Party to protect the information. In addition, under Section 1.7(3), written notice is required to be sent by registered (or certified) U.S. Mail, overnight delivery, or hand-delivery, even when electronic notice is provided to the Disclosing Party.

On numerous prior occasions, ERCOT shared PI and/or ECEII with ERCOT vendors or potential vendors without first providing the notice required under Section 1.3.5. While ERCOT has shared PI and/or ECEII with vendors and potential vendors, all such vendors and potential vendors first signed non-disclosure agreements and provided Risk Management Questionnaire responses, which were evaluated and scored by ERCOT cyber security personnel to ensure that the recipients of PI and/or ECEII would securely and appropriately handle the information.

Complying with the advance notice required under Section 1.3.5 would require ERCOT to send thousands of notices via U.S. Mail, overnight delivery, or hand delivery each year, which would be a costly and administratively burdensome endeavor. To align ERCOT's historical practice with the notice requirements in Section 1.7(3), ERCOT sponsored Nodal Protocol Revision Request (NPRR) 1252, Pre-notice for Sharing of Some Information, Addition of Research and Innovation Partner, Clarifying Notice Requirements. NPRR 1252 proposes to eliminate the pre-notice requirement for properly vetted vendors and potential vendors. The changes proposed in NPRR 1252 would similarly do away with the requirement that Market

Participants notify ERCOT when they intend to share PI or ECEI with their vendors or potential vendors. Aligning the Protocols with the historical practice of ERCOT and Market Participants will eliminate the issue as a source of Protocol violations.

B. Base Point Deviation Charge Calculation

Under ERCOT Protocol Sections 6.6.5.1.1.3(1) and 6.6.5.1.1.4(1), Controllable Load Resources (CLRs) are charged Base Point Deviations Charges for over-consumption that exceeds, or under-consumption that does not meet, the tolerance levels identified by these Sections. On May 31, 2024, ERCOT discovered that the CLR Ancillary Service Flag (CLRASFLAG) was not properly configured for cases in which a Resource did not have any Ancillary Service (AS) responsibility other than ERCOT Contingency Reserve Service (ECRS). The improper configuration resulted in the application of the incorrect tolerance levels for Base Point Deviation charge calculations under both Protocol Sections 6.6.5.1.1.3(1) and 6.6.5.1.1.4(1). This issue caused some Resources to receive lower Base Point Deviations Charges than they would have otherwise received. ERCOT resolved the issue three days after it was discovered and issued a Market Notice concerning the issue on June 6, 2024. *See Attachment A.* To prevent recurrence of the issue, ERCOT instituted a detailed peer review practice in connection with ERCOT's integration system.

C. Emergency Settlements Calculation

ERCOT Protocol Section 6.6.9.1 identifies the calculation ERCOT must utilize to compensate a Generation Resource that is issued an Emergency Base Point instruction. On July 10, 2024, as part of a system update associated with NPRR 1058, ERCOT identified an error that resulted in the miscalculation of the duration in seconds of the last SCED interval of the applicable Operating Day, which is part of the calculation identified in Section 6.6.9.1. This error impacted the calculation of the Average Emergency Base Point in violation of Section 6.6.9.1. The issue was limited to Generation Resources that qualified for Emergency Settlement for the last Settlement Interval of the applicable Operating Day and had a non-zero base point for the last SCED interval. Twenty-two Operating Days between January 21, 2024 and July 8, 2024 were impacted. The issue was corrected on July 11, 2024 and a Market Notice was issued on July 18, 2024. *See Attachment B.* The existing process at issue involves manual calculations using Excel files. This manual process will be retired, and calculations automated, when Real-time Co-optimization is implemented, which is expected to prevent similar issues from occurring.

D. ERCOT Critical Energy Infrastructure Information Disclosure

Under ERCOT Protocol Section 1.3.2.1, “[i]nformation that reveals that a specified contingency or fault results in instability, cascading or uncontrolled separation” is considered ECEII. Further, under ERCOT Protocol Section 1.3.2(4), “[i]f ERCOT determines that ECEII that is required to be posted on the ERCOT website or MIS Secure Area pursuant to these Protocols or an Other Binding Document poses a high level of security risk, ERCOT shall remove such information from the ERCOT website or MIS Secure.” Pursuant to Section 1.3.2(4), ERCOT had determined that un-redacted stability studies should not be viewable on Market Information System (MIS) Secure. However, in connection with the implementation of a system update on February 22, 2024, ERCOT discovered that when modeled data from Resource Integration and Ongoing Operations – Interconnection Services (RIOO – IS) was transferred to RIOO – RS (RIOO for Resources), Resource Entities had the ability to download an un-redacted stability study in RIOO-RS that contained the ECEII information that revealed specific contingencies that resulted in instability to the ERCOT system. ERCOT identified the issue on July 8, 2024. The issue was resolved on July 12, 2024. To minimize recurrence, ERCOT added new scripts as part of ERCOT’s regression testing in connection with future system updates.

E. Public 60-Day Data Posting

Under ERCOT Protocol Section 3.2.5(4)(e), certain data is required to be posted by ERCOT on the ERCOT website for each Resource for each 15-minute Settlement Interval 60 days prior to the current Operating Day. As part of the implementation of NPRR 1149, *Systematic Ancillary Service Failed Quantity Charges*, a system change inadvertently impacted the reporting code that pulls data for certain fields for inclusion in the 60-Day Generation Resource SCED disclosure report. This resulted in the required data being posted later than required, in violation of Section 3.2.5(4)(e). The issue first appeared on August 26, 2024, and was identified on September 10, 2024. A system change was implemented on September 26, 2024 to correct the reports posted starting September 27, 2024. A Market Notice was also sent on September 27, 2024. See Attachment C. Following the incident, ERCOT reinforced the importance of exercising diligence in considering unforeseen impacts to downstream reports when evaluating functional requirements for NPRRs during implementation.

F. Continuous Posting of Information

Several provisions in the ERCOT Protocols require that ERCOT continuously display certain information to the MIS Certified Area or the MIS Secure Area. They include Sections 4.4.1.2, *Capacity Trade Validation*, 4.4.2.2, *Energy Trade Validation*, 4.4.3.2, *Self-Schedule Validation*, 4.4.6.2, *PTP Obligation Bid Validation*, 4.4.7.2.2, *Ancillary Service Offer Validation*, 4.4.7.3.2, *Ancillary Service Trade Validation*, 4.4.9.2.2, *Startup Offer and Minimum-Energy Offer Validation*, 4.4.9.3.2, *Energy Offer Curve Validation*, 4.4.9.5.2, *DAM Energy-Only Offer Validation*, 4.4.9.6.2, *DAM Energy Bid Validation*, 6.4.2.4, *Output Schedule Validation*, 6.4.3.1.2, *RTM Energy Bid Validation*, 6.5.3, *Equipment Operating Ratings and Limits*, 6.5.7.1.11, *Transmission Network and Power Balance Constraint Management*, 7.5.2.2, *CRR Auction Offer Validation*, and 7.5.2.4 *CRR Auction Bid Validation*. On September 12, 2024, ERCOT performed planned system maintenance of Energy and Market Management systems (EMMS) applications and databases. From 15:25 until 15:55 on that day, ERCOT was not able to continuously display the required information, thereby technically violating applicable Protocol provisions. ERCOT sent a notice to all Market Participants the day before the scheduled maintenance to alert them of the outage window. *See* Attachment D. In order to address the need for ERCOT to perform necessary system maintenance that may require disruption to continuous posting of information, ERCOT plans to initiate an NPRR that would expressly allow necessary system maintenance without committing a technical violation of the Protocols.

G. PUCT Procedural Rule for Reporting Litigation

Under 16 Texas Administrative Code (TAC) § 22.251(p), ERCOT is required, within seven days of receiving a pleading initiating a lawsuit against ERCOT concerning ERCOT's conduct, to notify the Commission of the lawsuit by making a filing with the Commission. The rule further requires that such filing include a copy of the pleading initiating the lawsuit. ERCOT has been named in more than 250 lawsuits, including all Winter Storm Uri matters, during the past several years. While the filings are publicly available and the Commission is aware of ERCOT's overall litigation posture, ERCOT did not formally notify the Commission of the lawsuits by filing notice with the Commission as required by 16 TAC § 22.251(p). ERCOT subsequently updated its internal litigation intake procedure to require notice to the Commission as required under the rule.

CONCLUSION

ERCOT takes its responsibilities under the Commission Rules and ERCOT Protocols seriously and is prepared to discuss these matters in further detail at the Commission's request.

Dated: October 31, 2024

Respectfully submitted,

/s/ Katherine Gross

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ATTORNEYS FOR ELECTRIC
RELIABILITY COUNCIL OF TEXAS, INC.

To: Notice_Settlements@lists.ercot.com,Notice_Operations@lists.ercot.com

Sent: 6/6/24, 3:18 PM

Subject: W-A060624-01 Software error Identified in Settlement System

NOTICE DATE: June 06, 2024

NOTICE TYPE: W-A060624-01 Settlements

SHORT DESCRIPTION: Software Error Identified in Settlement System

INTENDED AUDIENCE: All Market Participants

DAYS AFFECTED: June 10, 2023 through May 30, 2024

LONG DESCRIPTION: ERCOT has identified a software error introduced with the implementation of NPPR863, Creation of ERCOT Contingency Reserve Service and Revisions to Responsive Reserve. This error impacted the Controllable Load Resource Ancillary Service Flag (CLRASFLAG) billing determinant used in Base Point Deviation (BPD) Settlement for Controllable Load Resources (CLRs).

The CLRASFLAG is used to determine if the CLR has an Ancillary Service Responsibility for the Settlement Interval. Based on this information, the threshold to assess BPD Charges to the CLR will vary. The CLRASFLAG failed to include the ERCOT Contingency Reserve Service (ECRS) responsibility for the CLR in the creation of this flag.

ERCOT has implemented a software correction effective Operating Day May 31, 2024. ERCOT is investigating if the impacted Operating Days will meet the resettlement threshold as specified in paragraph (2) of Section 9.5.6, RTM Resettlement Statement. ERCOT will send a follow up Market Notice with its findings.

CONTACT: If you have any questions, please contact your ERCOT Account Manager. You may also call the general ERCOT Client Services phone number at (512) 248-3900 or contact ERCOT Client Services via email at ClientServices@ercot.com.

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To:
Notice_Settlements@lists.ercot.com, Notice_CRR@lists.ercot.com, Notice_Operations@lists.ercot.com

Sent: 7/18/24, 11:32 AM

Subject: M-B071824-01 Error Identified in Settlement Tools for Emergency Settlements

NOTICE DATE: July 18, 2024

NOTICE TYPE: M-B071824-01 Settlements

SHORT DESCRIPTION: Error Identified in Settlement Tools for Emergency Settlements

INTENDED AUDIENCE: All Market Participants

DAYS AFFECTED: July 18, 2023 through July 8, 2024

LONG DESCRIPTION: ERCOT has identified an error in the Settlement tools used to calculate Emergency Settlements per Protocol Section 6.6.9.1, Payment for Emergency Power Increase Directed by ERCOT. The tool was miscalculating the duration in seconds of the last SCED interval of the Operating Day (TLMP). This impacted the calculation of the Average Emergency Base Point (AEBP). This error was limited to Resources that qualified for Emergency Settlement for the last Settlement Interval of the Operating Day, with a non-zero base point for the last SCED interval.

ERCOT has corrected the error effective Operating Day July 9, 2024. ERCOT has identified and corrected data for twenty-two impacted Operating Days beginning with January 21, 2024. These corrections will be captured on the next scheduled Settlement run.

ERCOT has identified twenty-seven Operating Days with this issue from July 18, 2023 to January 20, 2024 and is still investigating if the impacted Operating Days will meet the resettlement threshold as specified in paragraph (2) of Protocol Section 9.5.6, RTM Resettlement Statement. ERCOT will send a follow up Market Notice with its findings.

CONTACT: If you have any questions, please contact your ERCOT Account Manager. You may also call the general ERCOT Client Services phone number at (512) 248-3900 or contact ERCOT Client Services via email at ClientServices@ercot.com.

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To:

Notice_Operations@lists.ercot.com, Notice_Settlements@lists.ercot.com, Notice_CRR@lists.ercot.com, Notice_PRR_SCR@lists.ercot.com

Sent: 9/27/24, 11:13 AM

Subject: M-A092724-01 Missing Data in 60-Day SCED Disclosure Report

NOTICE DATE: Friday, September 27, 2024

NOTICE TYPE: M-A092724-01 Operations

SHORT DESCRIPTION: Missing Data in 60-Day SCED Disclosure Report

INTENDED AUDIENCE: All Market Participants

DAYS AFFECTED: June 27, 2024 - Present

LONG DESCRIPTION: ERCOT has identified an issue whereby daily Ancillary Service (AS) failed quantity calculations under Nodal Protocol Revision Request (NPRR) 1149, *Implementation of Systematic Ancillary Service Failed Quantity Charges*, created an unintended data issue in one of the output files provided as part of 60-Day Security-Constrained Economic Dispatch (SCED) Disclosure Report, NP3-965-ER, Rpt ID 13052.

To account for the additional time required to complete the daily AS failed quantity calculations, the execution time of one process handling data for this report in the Market Management System (MMS) was changed. This change caused the Start-Up (Hot, Cold, and Intermediate) and Minimum Generation Cost (Min-Gen) fields for some resources in the 60-Day Generation Resource Data in the SCED output file to be reflected improperly as null values starting from Operating Day (OD) June 27, 2024. Accordingly, the first 60-Day SCED Disclosure Report impacted was the report posted on August 26, 2024.

ERCOT has implemented a fix to resolve this issue as of the 09/27/2024 posting and is still working on a plan for regeneration of data for the affected Generation Resource Data in the SCED output files. An update will be communicated as soon as these are available.

CONTACT: If you have any questions, please contact your ERCOT Account Manager. You may also call the general ERCOT Client Services phone number at (512) 248-3900 or contact ERCOT Client Services via email at ClientServices@ercot.com.

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To: Notice_Operations@lists.ercot.com, Notice_Outages_Retail@lists.ercot.com, Notice_Outages_Wholesale@lists.ercot.com, Notice_Extracts_Retail@lists.ercot.com
Sent: 9/9/24, 8:35 AM
Subject: M-B090324-02 Planned system maintenance with impacted services

NOTICE DATE: September 9, 2024

NOTICE TYPE: M-B090324-02 Retail/Wholesale

SHORT DESCRIPTION: Planned system maintenance with impacted services

INTENDED AUDIENCE: All Market Participants

DAYS AFFECTED: Sep 12, 2024 15:30 - 16:30

LONG DESCRIPTION: ERCOT will be performing planned system maintenance of Energy and Market Management systems (EMS, MMS, ITRON and EIN) applications and databases on Sep 12, 2024 during a maintenance window of 15:25 – 18:00.

During the maintenance window on Sep 12, 2024, Market Participants will experience an outage on the following services from 15:25 until 15:55.

- Market Management System (MMS) – Security-Constrained Economic Dispatch (SCED)/Look-Ahead SCED applications may be unavailable for 3 SCED intervals during the 15:25 to 15:55 timeframe
- Base Points from SCED may not be created for 3 SCED intervals during the 15:25 to 15:55 timeframe. During this period, Qualified Scheduling Entities (QSEs) with Resources may be required to follow Emergency Base Points from ERCOT Load Frequency Control
- Market submissions and requests via Web Services, Market Manager and Outage Scheduler
- Current Day Report (CDR) publishing and downloading which may cause the following reports to be unavailable
 - SCED and Real-Time Dispatch (RTD) Reports
 - NSA Active and Inactive Constraint Reports
 - State Estimator Reports
 - Real-Time Dynamic Rating Data Reports
 - Wind Power Production - 5 minute Averaged Actual values
 - Solar Power Production - 5 minute Averaged Actual values
 - SOL Exceedance Report
- The [Public Dashboards](#) and [ERCOT.com](#) price displays will not be populated.

Note: Start and completion times of this maintenance may be delayed depending on system conditions at that time. A Hotline call to Market Participants will be executed prior to and following completion of the maintenance.

CONTACT: If you have any questions, please contact your ERCOT Account Manager. You may also call the general ERCOT Client Services phone number at (512) 248-3900 or contact ERCOT Client Services via email at ClientServices@ercot.com.

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