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| NPRR Number | [1220](https://www.ercot.com/mktrules/issues/NPRR1220#summary) | NPRR Title | Market Restart Approval Process Modifications |
| Date of Decision | June 18, 2024 |
| Action | Recommended Approval |
| Timeline | Normal |
| Estimated Impacts | Cost/Budgetary: NoneProject Duration: No project required |
| Proposed Effective Date | The first of the month following Public Utility Commission of Texas (PUCT) approval |
| Priority and Rank Assigned | Not applicable |
| Nodal Protocol Sections Requiring Revision  | 25.3, Market Restart Processes |
| Related Documents Requiring Revision/Related Revision Requests | None |
| Revision Description | This Nodal Protocol Revision Request (NPRR) modifies the Market Restart process. The proposed process requires Technical Advisory Committee (TAC) and ERCOT Board approval, with an alternative mechanism to ERCOT Board approval where circumstances require it. |
| Reason for Revision |  [Strategic Plan](https://www.ercot.com/files/docs/2023/08/25/ERCOT-Strategic-Plan-2024-2028.pdf) Objective 1 – Be an industry leader for grid reliability and resilience [Strategic Plan](https://www.ercot.com/files/docs/2023/08/25/ERCOT-Strategic-Plan-2024-2028.pdf) Objective 2 - Enhance the ERCOT region’s economic competitiveness with respect to trends in wholesale power rates and retail electricity prices to consumers [Strategic Plan](https://www.ercot.com/files/docs/2023/08/25/ERCOT-Strategic-Plan-2024-2028.pdf) Objective 3 - Advance ERCOT, Inc. as an independent leading industry expert and an employer of choice by fostering innovation, investing in our people, and emphasizing the importance of our mission General system and/or process improvement(s) Regulatory requirements ERCOT Board/PUCT Directive*(please select ONLY ONE – if more than one apply, please select the ONE that is most relevant)* |
| Justification of Reason for Revision and Market Impacts | The current Protocol language is based on the pre-Senate Bill 2 ERCOT Board structure that included Market Segment representation, which is no longer in place. ERCOT Board approval, alone, no longer signals the market’s readiness for a Market Restart. A new mechanism is needed to ensure market readiness prior to a Market Restart. This benefits the market by ensuring Market Participants, in addition to the ERCOT Board, are involved in making the decision on readiness for Market Restart. |
| PRS Decision | On 4/5/24, PRS voted unanimously to recommend approval of NPRR1220 as submitted. All Market Segments participated in the vote.On 5/9/24, PRS voted unanimously to endorse and forward to TAC the 4/5/24 PRS Report and 3/20/24 Impact Analysis for NPRR1220. All Market Segments participated in the vote. |
| Summary of PRS Discussion | On 4/5/24, PRS reviewed NPRR1220. On 5/9/24, PRS reviewed the 3/20/24 Impact Analysis. |
| TAC Decision | On 5/22/24, TAC voted unanimously to recommend approval of NPRR1220 as recommended by PRS in the 5/9/24 PRS Report. All Market Segments participated in the vote. |
| Summary of TAC Discussion | On 5/22/24, there was no additional discussion beyond TAC review of the items below. |
| TAC Review/Justification of Recommendation |  Revision Request ties to Reason for Revision as explained in Justification  Impact Analysis reviewed and impacts are justified as explained in Justification Opinions were reviewed and discussed Comments were reviewed and discussed (if applicable) Other: (explain) |
| ERCOT Board Decision | On 6/18/24, the ERCOT Board voted unanimously to recommend approval of NPRR1220 as recommended by TAC in the 5/22/24 TAC Report. |

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| **Opinions** |
| Credit Review | ERCOT Credit Staff and the Credit Finance Sub Group (CFSG) have reviewed NPRR1220 and do not believe that it requires changes to credit monitoring activity or the calculation of liability. |
| Independent Market Monitor Opinion | The Independent Market Monitor (IMM) has no opinion on NPRR1220. |
| ERCOT Opinion | ERCOT supports approval of NPRR1220. |
| ERCOT Market Impact Statement | ERCOT Staff has reviewed NPRR1220 and believes that it provides a positive market impact by modifying the Market Restart process to require TAC and ERCOT Board approval where circumstances require it. |

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| Sponsor |
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| Cell Number |  |
| Market Segment | Not applicable |

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| **Comments Received** |
| Comment Author | **Comment Summary** |
| None |  |

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| Market Rules Notes |

None

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| Proposed Protocol Language Revision |

**25.3 Market Restart Processes**

(1) Specific Market Restart processes may be modified depending on the nature of the triggering event.

(2) Market Restart processes work in conjunction with, but will not supersede, other ERCOT emergency processes and procedures such as Black Start procedures.

(3) Following a declaration by ERCOT of a Market Suspension, in effectuating Market Restart for the Real-Time Market (RTM), ERCOT:

(a) Shall determine the interval to resume Security-Constrained Economic Dispatch (SCED) execution based on availability and functioning of:

(i) The Energy Management System (EMS);

(ii) The Market Management System (MMS);

(iii) The ERCOT System operating as a single Island as described in the Nodal Operating Guides; and

(iv) Electronic communications between ERCOT and Market Participants.

(b) Shall suspend all RTM Settlements and shall settle pursuant to Section 25.5, Market Suspension and Market Restart Settlement;

(c) Shall suspend Day-Ahead Market (DAM) Settlements for any Operating Days for which ERCOT declares the RTM was suspended;

(d) May assign Ancillary Services once the ERCOT System is operating as a single Island as described in the Nodal Operating Guides, and ERCOT is ready to control the system using Load Frequency Control (LFC); and

(e) Shall not restart the RTM until ERCOT has satisfied paragraph (6) below.

(4) When there are no posted DAM results for the Operating Day, and operational conditions allow, ERCOT shall assign Ancillary Services to Qualified Scheduling Entities (QSEs) based on the amount of capacity that their Resources have or can bring On-Line.

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| ***[NPRR1013: Replace paragraph (4) above with the following upon system implementation of the Real-Time Co-Optimization (RTC) project:]*** (4) When there are no posted DAM results for the Operating Day, and operational conditions allow, ERCOT shall assign Ancillary Services to Qualified Scheduling Entities (QSEs) based on the amount of capacity that their Resources have or can bring On-Line. This process will remain in place until the RTM is able to award Ancillary Services to Resources. |

(5) Following a declaration by ERCOT of a Market Suspension, in effectuating a Market Restart for the DAM, ERCOT shall restart the DAM when the below conditions are satisfied:

(a) The RTM has restarted pursuant to paragraph (3) above;

(b) ERCOT is reasonably able to model the expected state of the ERCOT Transmission Grid for the next day;

(c) ERCOT is able to receive market submissions to successfully run the DAM; and

(d) ERCOT has satisfied paragraph (6) below and has issued a Market Notice stating that it has obtained the necessary approvals.

(6) ERCOT shall not restart the RTM or DAM until:

(a) The Technical Advisory Committee (TAC) has approved the restart; and

(b) Either:

(i) The ERCOT Board has approved the restart; or

(ii) If, after taking into consideration the possibility of conducting an urgent meeting and holding such meeting by teleconference as set forth in paragraphs (b) and (c) of Section 4.6, Meetings, of the ERCOT Bylaws, it is not reasonably practicable to obtain ERCOT Board approval prior to the restart, the ERCOT CEO, or if designated by the ERCOT CEO, the ERCOT General Counsel, have approved the restart, provided that the ERCOT CEO or ERCOT General Counsel shall not approve a restart of the RTM or DAM pursuant to this paragraph (ii) unless the following parties have agreed in writing to restart the RTM or DAM as proposed by ERCOT:

(A) The ERCOT Board Chair, or the ERCOT Board Vice Chair in the case the ERCOT Board Chair is, either, unavailable or the position is vacant; and

(B) Either the Reliability and Markets Committee Chair or the Technology and Security Committee Chair.

(7) During the Market Restart process, credit constraints may be relaxed as applicable as detailed in Section 25.4, Market Suspension Credit Processes.