

PROJECT NO. 54248

**SELECTION OF THE RELIABILITY § PUBLIC UTILITY COMMISSION
MONITOR FOR THE ERCOT § OF TEXAS
POWER REGION §**

**ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.'S
2024 SECOND QUARTER ACTIVITY REPORT**

Pursuant to the order of the Public Utility Commission of Texas (PUC/Commission) Directing ERCOT to Serve as Reliability Monitor, effective November 3, 2022, Electric Reliability Council of Texas, Inc. (ERCOT) Reliability Monitor (ERM) hereby submits its 2024 Second Quarter Activity Report.

I. BACKGROUND

On November 3, 2022, the Commission issued an order directing ERCOT to assume the duties and responsibilities of the reliability monitor for the ERCOT power region in accordance with 16 Tex. Admin. Code § 25.503(j).

ERCOT is charged with monitoring, investigating, auditing, and reporting to the PUC on matters related to the compliance of ERCOT, Inc. and ERCOT Market Participants with reliability-related provisions of the Public Utility Regulatory Act (PURA), the PUC's Substantive Rules, and ERCOT Protocols and Other Binding Documents, as well as providing subject matter advice, expertise, and assistance with the PUC's reliability-related compliance and enforcement activities.

ERCOT must file a quarterly report summarizing its previous quarter ERM activities. The ERM hereby provides the following information for the Second Quarter (Q2) of 2024.

A. Executive Summary

During Q2, the ERM opened the following new Incident Reviews:

Priority ¹	No. of Cases
Critical	0
High	3
Medium	28
Low	1
Total	32

The ERM referred 29 High Priority Incident Reviews to the Commission's Division of Compliance and Enforcement (DICE) during Q2. The reports documented potential violations of Reliability Requirements related to scheduling outages and updating Current Operating Plans (COPs) during Winter Storm Elliot, which occurred in late December 2022.

B. Changes to Reliability Requirements to Promote Improved Reliability

The ERM is tracking the following revision requests that could impact ERCOT System reliability:

- [NPRR1229](#) Real-Time Constraint Management Plan Energy Payment
- [NPRR1231](#) FFSS Program Communication Improvements and Additional Clarifications
- [NPRR1232](#) Standing Deployment of ECRS in the Operating Hour for a Portion of ECRS that is Provided from SCED-Dispatchable Resources
- [NPRR1234](#) Interconnection Requirements for Large Loads and Modeling Standards for Loads 25 MW or Greater
- [NPRR1235](#) Dispatchable Reliability Service as a Stand-Alone Ancillary Service
- [NPRR1238](#) Voluntary Registration of Loads with Curtailable Load Capabilities
- [NOGRR258](#) Congestion Mitigation Using Topology Reconfiguration
- [NOGRR262](#) Provisions for Operator-Controlled Manual Load Shed
- [NOGRR263](#) Controllable Load Resource Primary Frequency Response Responsibilities

¹ The ERM staff assess an event's impact on ERCOT System reliability and categorize events such as the loss of generation, frequency, or voltage excursions, *etc.* as "Critical." The ERM categorizes other events as "High," "Medium," or "Low" depending on such factors as: number and size of the facilities involved, if the event is local versus widespread, whether an issue relates to only an administrative matter, *etc.*

- [NOGRR264](#) Related to NPRR1235, Dispatchable Reliability Reserve Service
- [NOGRR265](#) Related to NPRR1238, Voluntary Registration of Loads with Curtailable Load Capabilities
- [PGRR115](#) Related to NPRR1234, Interconnection Requirements for Large Loads and Modeling Standards for Loads 25 MW or Greater.

In addition to the foregoing, the ERM continues working with Subject Matter Experts on the following issues to improve ERCOT System reliability:

- New telemetry and COP data requirements for Energy Storage Resources (ESRs) related to NPRR1186;
- New technology telemetry practices, especially regarding Ancillary Services (A/S);
- Voltage Support Services and reactive power requirements; and
- Dynamic model submissions

C. Routine Compliance Monitoring

In addition to investigating individually reported potential violations, the ERM performed routine monitoring activities of Market Participant and ERCOT compliance with Reliability Requirements. Specifically, ERM analysts monitored compliance with the following Protocols each month:²

- Resource Ancillary Service Qualification Compliance – § 8.1.1.1(1)
- Quick Start Resource Performance – § 8.1.1.2(17)(a)
- QSE Ancillary Service Capacity Compliance – § 8.1.1.3(3)
- Generation Resource Energy Deployment Performance (GREDP) for Non-Intermittent Renewable Resources – § 8.1.1.4.1(7)
- GREDP for Intermittent Renewable Resources (IRRs) – § 8.1.1.4.1(8)
- Controllable Load Resource (CLR) Energy Deployment Performance – § 8.1.1.4.1(9)
- Energy Storage Resource Energy Deployment Performance – § 8.1.1.4.1(9)
- Responsive Reserve Service (RRS) Deployment Performance – § 8.1.1.4.2

² References are to Protocols unless otherwise noted.

- RRS from Generation Resources and Controllable Load Resources (CLRs) – § 8.1.1.4.2(1)(a)
- Resources with Insufficient Frequency Responsive Capacity – § 8.1.1.4.2(1)(b)
- RRS from Non-Controllable Load Resources (NCLRs) – § 8.1.1.4.2(1)(a), (4), (6)
 - Non-Spin Reserve Service (NSRS) Deployment Performance – § 8.1.1.4.3
 - NSRS from Generation Resources – § 8.1.1.4.3(3)(a) and (b)
 - NSRS from CLRs – § 8.1.1.4.3(3)(a), (d)
 - NSRS from NCLRs – § 8.1.1.4.3(3)(e), (4)
- ERCOT Contingency Reserve Service (ECRS) Deployment Performance – § 8.1.1.4.4
 - ECRS from Generation Resources and CLRs – § 8.1.1.4.4(1)(a)
 - ECRS from NCLRs – § 8.1.1.4.4(1)(a), (4), (6)
- ERS Performance – § 8.1.3
 - Testing – § 8.1.3.2(1)(a)(ii)
 - Availability – § 8.1.3.3.3(1)(a)
 - Event Performance – § 8.1.3.3.4
- PFR Performance – § 8.5.1.1(1), 8.5.2.1(1)
- 12-Month Rolling Average – Operating Guide § 2.2.813
- COP Errors – § 3.9.1
- Distribution Service Provider Transmission Operator Representation – § 16.19(1)

For each category, ERM analysts download ERCOT data from the ERCOT Market Information System to validate failures before reviewing data, analyzing performance, and comparing performance data to performance metrics to determine which incidents to include in a quarterly report to DICE. The ERM initiated new Incident Reviews because of these analyses.

D. Overall State of ERCOT System Reliability

The overall state of ERCOT System reliability is good. The ERM continues to identify the following areas of concern based on discussions with ERCOT SMEs:

- ESR performance/State-of-Charge monitoring
- Voltage control

- Telemetry quality
- Frequency ride-through
- Voltage ride-through
- Fault recording and sequence of events recording data requirements
- Installation of phasor measurement recording equipment
- Data recording, redundancy, retention, and reporting requirements
- Dynamic model submissions

E. 2024 Compliance Audits

The ERM has begun work on two compliance audits for 2024. The first audit will determine Market Participant compliance with Operating Guides §§ 1.5.2(1), (2), and (3) regarding system operator training requirements. During Q2, the ERM received responses to initial Requests for Information (RFIs) and has begun issuing a second round of RFIs for clarification of initial responses.

In the second compliance audit, the ERM will assess ERCOT's performance in connection with Operating Guides §§ 3.2.4(4) and (5) related to A/S Performance Monitoring. During Q2, the ERM sent RFIs to relevant ERCOT departments and received responses on June 28, 2024. The ERM plans to review and evaluate the RFI responses during Q3 and issue follow-up RFIs, as necessary.

The ERM stands ready to provide any additional information requested by the Commission.

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Respectfully submitted,

/s/ A. Andrew Gallo

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