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| NPRR Number | [1229](https://www.ercot.com/mktrules/issues/NPRR1229) | NPRR Title | Real-Time Constraint Management Plan Energy Payment |
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| Date | | May 7, 2024 | |
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| Submitter’s Information | | | |
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| Phone Number | | 512-248-6686 | |
| Cell Number | |  | |
| Market Segment | | Not applicable | |

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| Comments |

ERCOT submits these comments to Nodal Protocol Revision Request (NPRR) 1229 to request that PRS not advance NPRR1229 in its current form. As written, NPRR1229 is not implementable and introduces new policy that needs to be considered and discussed.

NPRR1229 was filed late on May 6, 2024, so ERCOT has not had time to thoroughly analyze and discuss the language. However, after a quick analysis, ERCOT has identified the following initial concerns:

1. The NPRR as written does not have any provision for allocating the cost of the proposed compensation;
2. The sponsors of the NPRR expressed their intent to have this language in place for this summer, which would imply a manual implementation. Manual implementation will require more consideration and specialized Protocol language changes than normally required, and this NPRR does not include that language;
3. This NPRR provides that the Qualified Scheduling Entity (QSE) should be compensated for “Lost Opportunity Costs,” which is a policy that needs thorough consideration by ERCOT and stakeholders;
4. The Settlement formula for the payment does not seem complete and requires further review and discussion;
5. The timelines outlined in the dispute process need consideration. As proposed, a QSE requesting compensation needs to prove a Forced Outage was the result of a Congestion Management Plan (CMP) and may request compensation for costs caused by the Forced Outage. More time is needed to determine if these items are something that can be confidently determined in the 15-day timeline outlined in this NPRR.
6. Some guardrails should be considered.
   1. As written, this NPRR would allow for lost opportunity costs until the Resource returned from a Forced Outage, with no time limit;
   2. This NPRR assumes the Resource should be compensated for generating the entire period of the Outage at its High Sustained Limit (HSL), which may not have been the case; and
   3. There may be scenarios where opening a breaker should not be considered for the payments outlined in this NPRR.

As this NPRR was only recently filed, ERCOT may have additional concerns as it continues to evaluate the NPRR. If NPRR1229 was approved by PRS at the May 9, 2024 meeting, ERCOT would have fewer than two weeks to address the above issues (in addition to those not listed above) as well as perform an impact analysis. ERCOT is concerned that such a rapid approval could have unintended consequences and would not allow ERCOT and stakeholders time to consider the language and make appropriate revisions to address these concerns.

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| Revised Cover Page Language |

None at this time.

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| Revised Proposed Protocol Language |

None at this time.