

ERCOT Nodal Protocols

Section 22

Attachment N: Standard Form Must-Run Alternative Agreement

July 1, 2019

[NPRR885: Insert Section 22 Attachment N below upon system implementation:]

Standard Form Must-Run Alternative
Supplement to the Market Participant Agreement
Between
(Name of Participant)
and
Electric Reliability Council of Texas, Inc.

This Must-Run Alternative Service Supplement to the Market Participant Agreement (“Agreement”), effective as of the _____ day of _____, _____ (“Effective Date”), is entered into by and between [insert Participant’s name], a [insert business Entity type and state] (“Participant”) and Electric Reliability Council of Texas, Inc., a Texas non-profit corporation (“ERCOT”).

Recitals

WHEREAS:

- A. Participant is a Qualified Scheduling Entity (QSE) as defined in the ERCOT Protocols, has executed a Standard Form Market Participant Agreement (“Market Participant Agreement”) with ERCOT, and intends to provide Must-Run Alternative (MRA) Service;
- B. ERCOT is the Independent Organization certified under PURA §39.151 for the ERCOT Region;
- C. On _____, 20__, ERCOT issued a Request for Proposals (“MRA RFP”) seeking offers from QSEs able to provide MRA Service;
- D. Participant submitted an offer to provide MRA Service in response to the RFP that satisfies the requirements for MRA Service, as set forth in the ERCOT Protocols;
- E. Pursuant to PUC Substantive Rule 25.502, the ERCOT Board of Directors has approved a recommendation to enter into this Agreement;
- F. The Parties enter into this Agreement in order to establish the terms and conditions by which ERCOT and Participant will discharge their respective duties and responsibilities under the ERCOT Protocols.

Agreements

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, ERCOT and Participant (the “Parties”) hereby agree as follows:

Section 1. MRA Terms.

- A. Start Date: _____, 20_____.
- B. Stop Date: _____, 20_____.

C. MRA: _____.

D. Description of MRA or, if an aggregation, MRA Sites [*including location(s), type(s) of unit, etc.*]:

_____.

E. MRA Information

(1) MRA Contracted Capacity, Target Availability and Standby Price for each MRA Contracted Month

MRA Contracted Month - Year	MRA Contracted Hours (whole Hours Ending (HEs))	Capacity (MW per hr)	Days of Week	Target Availability (%)	Standby Price (\$/MW per hr)

(2) MRA Contributed Capital Expenditures

Month - Year	Capital Expenditure (\$)

(3) Data for MRA deployment event compensation

(a) Proxy Fuel Consumption (MMBtu/Deployment Event): _____, or

(b) Event Deployment Price (\$/Deployment Event): _____

(c) Ramp period or start-up time (hrs): _____

(4) Data needed for variable compensation

(a) Proxy Heat Rate (MMBtu/MWh): _____, and/or

(b) Variable Price (\$/MWh): _____

(5) Proxy Fuel Adder Price (\$/MMBtu): _____

F. For Thermal and Non-Thermal Generators (Transmission or Distribution Connected)

(1) Delivery Point: _____

(2) Revenue Meter Location (Use Resource ID): _____

[If multiple MRAs awarded to a single QSE, duplicate Sections 1(A)-1(F) for each MRA here]

Section 2. Additional Terms.

- A. The terms and conditions of the Market Participant Agreement between Participant and ERCOT remain in full force and effect.
- B. Participant agrees to make available for ERCOT's use the MRA Service described in Section I of this Agreement, in accordance with and subject to ERCOT Protocols, the Market Participant Agreement, and the MRA RFP, all of which are hereby incorporated by reference.
- C. Term of Agreement
- (1) This Agreement is effective beginning on the Effective Date, subject to paragraph 2(F) below.
- (2) The Term of this Agreement begins at 0000 hours on the Start Date and ends at 2400 hours on the Stop Date.
- D. Except as provided in paragraphs 2(E) and 2(F) below, this Agreement terminates upon the completion of all obligations under the terms of this Agreement, provided that the Term of this Agreement may be extended for a period of up to 90 days if, in ERCOT's sole discretion, such an extension is necessary. ERCOT shall provide written notice of such an extension no later than 30 days before the date the extension is to begin.
- E. ERCOT, at its sole discretion, may terminate the Parties' obligations under this Agreement with respect to any MRA listed in Section 1 above at any time upon 90 days' notice if it determines that the MRA Service provided by the MRA is no longer necessary. If more than one MRA is listed in Section 1, the Parties' obligations under this Agreement will continue with respect to any MRA not terminated pursuant to this paragraph.
- F. Participant may, at its option, immediately terminate this Agreement upon the failure of ERCOT to continue to be certified by the PUCT as the Independent Organization under PURA §39.151 without the immediate certification of another Independent Organization under PURA §39.151.
- G. If ERCOT has awarded offers to multiple QSEs for MRA Service in response to a single MRA RFP, this Agreement will be effective only upon written confirmation by ERCOT to Participant that ERCOT has secured fully executed MRA Agreements from each QSE with an awarded offer. This confirmation is a condition precedent to performance of any obligation under this Agreement.
- H. If this Agreement is terminated by a Party pursuant to the terms hereof, the rights and obligations of the Parties hereunder shall terminate, except that the rights and obligations of the Parties that have accrued under this Agreement prior to the date of termination shall survive.

- I. Payments to Participant for MRA Service shall be made based on the MRA offers awarded by ERCOT and in accordance with the ERCOT Protocols applicable to MRA Service.
- J. Automatic Default. The occurrence of either of the following shall constitute an automatic Default by Participant under this Agreement:
 - (1) The MRA or one or more MRA Sites is abandoned without an intention to return to operation during the term of the MRA Agreement or approval by ERCOT of a substitute MRA or MRA Site in accordance with Protocol Section 3.14.4.3, MRA Substitution; or
 - (2) Three or more unexcused Misconduct Events, as described in Protocol Section 3.14.4.8, MRA Misconduct Events, occur during the term of the MRA Agreement.
- K. Other Default Events. A material failure by Participant to comply with the ERCOT Protocols governing MRA Service, the terms of this Agreement, or the MRA RFP shall constitute a Default unless cured within fourteen (14) Business Days after ERCOT gives notice of the material breach to Participant.
- L. Remedies for Default. In addition to ERCOT's remedies for Default described in the Market Participant Agreement, ERCOT may, in its sole discretion, terminate this Agreement upon seven days' written notice in the event of Participant's Default.
- M. This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

SIGNED, ACCEPTED, AND AGREED TO by each undersigned signatory who, by signature hereto, represents and warrants that he or she has full power and authority to execute this Agreement.

Electric Reliability Council of Texas, Inc.:

By: _____

Name: _____

Title: _____

Date: _____

Participant:

By: _____

Name: _____

Title: _____

Date: _____

Market Participant Name: _____

Market Participant DUNS: _____