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| NPRR Number | [1248](https://www.ercot.com/mktrules/issues/NPRR1248) | NPRR Title | Correction to NPRR1197, Optional Exclusion of Load from Netting at EPS Metering Facilities which Include Resources |
| Date of Decision | | January 16, 2025 | |
| Action | | Approved | |
| Timeline | | Normal | |
| Estimated Impacts | | Cost/Budgetary: None  Project Duration: No project required | |
| Effective Date | | February 1, 2025 | |
| Priority and Rank Assigned | | Not applicable | |
| Nodal Protocol Sections Requiring Revision | | 11.1.6, ERCOT-Polled Settlement Meter Netting | |
| Related Documents Requiring Revision/Related Revision Requests | | None | |
| Revision Description | | This Nodal Protocol Revision Request (NPRR) corrects language in Section 11.1.6 which was implemented with the July 1, 2024 Protocols following Public Utility Commission of Texas (PUCT) approval of NPRR1197, Optional Exclusion of Load from Netting at ERCOT-Polled Settlement (EPS) Metering Facilities which Include Resources.  The NPRR1197 2/8/24 PRS Report did not correctly reflect the PRS vote “to recommend approval of NPRR1197 as amended by the 2/7/24 Oncor comments as revised by PRS” in paragraph (6) of Section 11.1.6. This error carried through the ensuing 3/27/24 TAC Report and 4/23/24 Board Report, and was approved by the PUCT on 6/13/24.  This NPRR aligns the language within Section 11.1.6 with the intended PRS action from February 8, 2024. | |
| 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 | | This NPRR corrects a transcription error made by ERCOT within the stakeholder process for NPRR1197 and implements the language as intended by the stakeholders. | |
| PRS Decision | | On 9/12/24, PRS voted unanimously to recommend approval of NPRR1248 as submitted. All Market Segments participated in the vote.  On 10/17/24, PRS voted unanimously to endorse and forward to TAC the 9/12/24 PRS Report and 8/16/24 Impact Analysis for NPRR1248. All Market Segments participated in the vote. | |
| Summary of PRS Discussion | | On 9/12/24, ERCOT Staff provided an overview of NPRR1248.  On 10/17/24, there was no discussion. | |
| TAC Decision | | On 10/30/24, TAC voted unanimously to recommend approval of NPRR1248 as recommended by PRS in the 10/17/24 PRS Report. All Market Segments participated in the vote. | |
| Summary of TAC Discussion | | On 10/30/24, 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 – with the exception of the IMM Opinion which was not available for TAC review.  Comments were reviewed and discussed (if applicable)  Other: (explain) | |
| ERCOT Board Decision | | On 12/3/24, the ERCOT Board voted unanimously to recommend approval of NPRR1248 as recommended by TAC in the 10/30/24 TAC Report. | |
| PUCT Decision | | On 1/16/25, the PUCT approved NPRR1248 and accompanying ERCOT Market Impact Statement as presented in Project No. 54445, Review of Protocols Adopted by the Independent Organization. | |

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| **Opinions** | |
| Credit Review | ERCOT Credit Staff and the Credit Finance Sub Group (CFSG) have reviewed NPRR1248 and do not believe that it requires changes to credit monitoring activity or the calculation of liability. |
| Independent Market Monitor Opinion | IMM has no opinion on NPRR1248. |
| ERCOT Opinion | ERCOT supports approval of NPRR1248. |
| ERCOT Market Impact Statement | ERCOT Staff has reviewed NPRR1248 and believes the market impact for NPRR1248 properly aligns Protocol language within Section 11.1.6 with PRS-recommended language inadvertently omitted from NPRR1197 reports. |

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| Market Segment | Not applicable |

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

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| **Market Rules Notes** |

Please note the baseline Protocol language in Section 11.1.6 has been updated to reflect the incorporation of the following NPRR(s) into the Protocols:

* NPRR1002, BESTF-5 Energy Storage Resource Single Model Registration and Charging Restrictions in Emergency Conditions (unboxed 9/27/24)
* NPRR1188, Implement Nodal Dispatch and Energy Settlement for Controllable Load Resources (incorporated 12/1/24)

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| Proposed Protocol Language Revision |

***11.1.6 ERCOT-Polled Settlement Meter Netting***

(1) As allowed by Section 10, Metering, of these Protocols, ERCOT will perform the approved netting schemes, which sum the meters at a given Generation Resource or Energy Storage Resource (ESR) site.

(2) Both Load consumption and generation production meters will be combined together to obtain a total amount of Load or generation.

(3) For an ESR site with Wholesale Storage Load (WSL):

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| ***[NPRR995: Replace paragraph (3) above with the following upon system implementation:]***  (3) For an ESR site: |

(a) WSL is measured by the corresponding EPS Meter, except that when a Resource Entity for an ESR communicates its auxiliary Load value to the EPS Meter, WSL is calculated by subtracting the auxiliary Load from the total Load measured by the corresponding EPS Meter. If the calculated auxiliary Load is greater than the total Load, WSL shall be zero.

(b) For WSL that is metered behind the POI metering point, the WSL will be added back into the POI metering point to determine the net flows for the POI metering point.

(c) For WSL that is separately metered at the POI, the WSL will not be included in the determination of whether the generation site is net generation or net Load for the purpose of Settlement.

(4) For an ESR that has separately metered its charging Load, but elects not to receive WSL treatment, the Non-WSL ESR Charging Load for the 15-minute interval shall be determined using the metered ESR charging Load.

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| ***[NPRR1188: Replace paragraph (4) above with the following upon system implementation:]***  (4) For a single POI Generation Resource site that includes an ESR whose charging Load is not receiving WSL treatment or includes a Controllable Load Resource (CLR):  (a) The portion of Non-WSL ESR Charging Load or CLR Load supplied from the grid will be adjusted for Distribution Losses, Transmission Losses, and Unaccounted for Energy (UFE);  (b) The portion of Non-WSL ESR Charging Load or CLR Load supplied from the co-located generation will not be adjusted for Distribution Losses, Transmission Losses, and UFE;  (c) For RTAML, 4-CP, and Load Ratio Share (LRS) volumes, only the Non-WSL ESR Charging Load or CLR Load supplied from the grid (after loss and UFE adjustment) shall be included;  (d) For Section 6.6.3.1, Real-Time Energy Imbalance Payment or Charge at a Resource Node, (the Non-WSL ESR Charging Load or CLR Load shall be the Load supplied from the grid (after loss and UFE adjustment) plus the Non-WSL ESR Charging Load or CLR Load supplied from the co-located generation;  (e) An Electric Service Identifier (ESI ID) is required for each ESR and CLR and the unadjusted energy supplied from the grid will be allocated to each ESI ID.  (f) For sites with multiple ESRs or CLRs, the unadjusted energy supplied from the grid will be allocated to each ESI ID based upon load ratio share using metered Non-WSL ESR Charging Load or CLR Load or calculated Non-WSL ESR Charging Load; and  (g) For a single POI Generation Resource site that includes an ESR that has separately metered its charging Load, the Non-WSL ESR Charging Load for the 15-minute interval shall be determined using the metered ESR Charging Load. |

(5) For an ESR that has not separately metered its charging Load, or has forfeited WSL treatment pursuant to paragraph (3) of Section 10.2.4, Resource Entity Calculation and Telemetry of ESR Auxiliary Load Values, the Non-WSL ESR Charging Load for the 15-minute interval shall be equal to the total metered ESR Load minus auxiliary Load, where auxiliary Load is calculated as the greater of the following:

(a) The lesser of the total metered ESR Load or X MWh, where X is calculated as 15% of the ESR’s nameplate capacity multiplied by 0.25; or

(b) 15% of the total metered ESR Load for the 15-minute interval.

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| ***[NPRR1188: Insert paragraph (6) below upon system implementation and renumber accordingly:]***  (6) For a single POI Generation Resource site that includes a CLR, CLR Load shall be metered with an EPS Meter and the metered energy will be considered as Generation Resource production to determine the net flows for Settlement of the corresponding generation site. |

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| ***[NPRR995: Insert paragraphs (6) and (7) below upon system implementation and renumber accordingly:]***  (6) For a Settlement Only Distribution Energy Storage System (SODESS) or Settlement Only Transmission Energy Storage System (SOTESS) that has been approved for WSL treatment and has a single POI or Service Delivery Point:  (a) For withdrawals from the ERCOT System consisting of only WSL or WSL in combination with auxiliary Load:  (i) WSL is measured by the corresponding EPS Meter, except when a Resource Entity communicates its auxiliary Load value to the EPS Meter, WSL is calculated by subtracting the auxiliary Load from the total Load measured by the corresponding EPS Meter. If the calculated auxiliary Load is greater than the total Load, WSL shall be set to zero.  (ii) For measured or calculated WSL that is behind the POI or Service Delivery Point, the WSL will be added back into the POI or Service Delivery Point metering point to determine the net flows for the POI or Service Delivery Point metering point.  (b) For withdrawals from the ERCOT System that include Load other than WSL Load or auxiliary Load:  (i) The charging Load is measured by the corresponding EPS Meter, except that when the Resource Entity communicates its auxiliary Load value to the EPS Meter, the charging Load is calculated by subtracting the auxiliary Load from the total SODESS or SOTESS Load measured by the corresponding EPS Meter. If the calculated auxiliary Load is greater than the total SODESS or SOTESS Load, the charging Load shall be set to zero.  (ii) Where injections are exclusively the result of generation from an SODESS or SOTESS, the WSL quantity shall be determined through the use of a generation accumulator, which is calculated as the accumulated output measured at the POI or Service Delivery Point minus the accumulated charging Load receiving WSL treatment. The charging Load that is less than or equal to the generation accumulator will be settled as WSL for each 15-minute interval.  (iii) Where injections are the result of a combination of SODESS or SOTESS and non-SODESS or non-SOTESS generation, the output channel of the EPS Meter that measures charging Load is required to be used for Settlement. For these sites, the WSL quantity shall be determined through the use of a generation accumulator, which is calculated as the lesser of (i) the accumulated SODESS or SOTESS output or (ii) the accumulated output measured at the POI or Service Delivery Point minus the accumulated charging Load receiving WSL treatment. The charging Load that is less than or equal to the generation accumulator will be settled as WSL for each 15-minute interval.  (iv) For measured or calculated charging Load that is behind the POI or Service Delivery Point, the charging Load will be added back into the POI or Service Delivery Point metering point to determine the net flows for the POI or Service Delivery Point metering point.  (7) For an SODESS or SOTESS that either has not elected or has not been approved for WSL treatment and has a single POI or Service Delivery Point:  (a) For withdrawals from the ERCOT System consisting of only charging Load or charging Load in combination with auxiliary Load, the Non-WSL Settlement Only Charging Load for the 15-minute Settlement Interval shall be determined as follows:  (i) The metered charging Load that would otherwise be eligible for WSL; or  (ii) The total metered SODESS or SOTESS Load minus auxiliary Load, where auxiliary Load is calculated as the greater of the following:  (A) The lesser of the total metered Load or X MWh, where X is calculated as 15% of the nameplate capacity of the ESS multiplied by 0.25; or  (B) 15% of the total SODESS or SOTESS metered Load.  (b) For withdrawals from the ERCOT System that include Load other than Non-WSL Settlement Only Charging Load or auxiliary Load, the Non-WSL Settlement Only Charging Load for the 15-minute Settlement Interval shall be determined as follows:  (i) Where injections are exclusively the result of generation from an SODESS or SOTESS, the Non-WSL Settlement Only Charging Load quantity shall be determined through the use of a generation accumulator, which is calculated as the accumulated output measured at the POI or Service Delivery Point minus the metered or calculated charging Load determined in option (A) or (B) below:  (A) Where the charging Load is separately metered, the accumulated metered charging Load that would otherwise be eligible for WSL; or  (B) Where the charging Load is not separately metered, the accumulated total metered SODESS or SOTESS Load minus auxiliary Load, where auxiliary Load is calculated as the greater of the following:  (1) The lesser of the total SODESS or SOTESS metered Load or X MWh, where X is calculated as 15% of the nameplate capacity of the SODESS or SOTESS multiplied by 0.25; or  (2) 15% of the total SODESS or SOTESS metered Load.  (ii) Where injections are the result of a combination of generation from SODESS or SOTESS and other generating facilities, the output channel of the EPS Meter that measures charging Load is required to be used for Settlement. For these sites, the Non-WSL Settlement Only Charging Load quantity shall be determined through the use of a generation accumulator, which is calculated as the lesser of (a) the accumulated SODESS or SOTESS output or (b) the accumulated output measured at the POI or Service Delivery Point minus:  (A) Where the charging Load is separately metered, the accumulated metered charging Load that would otherwise be eligible for WSL; or  (B) Where the charging Load is not separately metered, the accumulated total metered SODESS or SOTESS Load minus auxiliary Load, where auxiliary Load is calculated as the greater of the following:  (1) The lesser of the total metered Load or X MWh, where X is calculated as 15% of the nameplate capacity of the SODESS or SOTESS multiplied by 0.25; or  (2) 15% of the total SODESS or SOTESS metered Load.  (iii) For each 15-minute interval, the metered or calculated charging Load that is less than or equal to the generation accumulator will be settled as Non-WSL Settlement Only Charging Load. |

(6) For a Generation Resource or ESR that excludes its Load(s) from the netting arrangement pursuant to paragraph (9) of Section 10.3.2.3, Generation Netting for ERCOT-Polled Settlement Meters:

(a) The excluded Load(s) are measured by the corresponding EPS Meter, except that when a Resource Entity for an ESR communicates its non-charging Load(s) value(s) to the EPS Meter in accordance with Section 10.2.4.

(b) The excluded Load will be added back into the POI metering point to determine the net flows for the POI metering point.

(c) For sites that are not located behind a NOIE meter point, it shall be the responsibility of the TDSP(s) serving the excluded Load at the facility to account for the excluded Load by creating ESI ID(s) and providing ERCOT with interval data. If there is a one-to-one relationship between each excluded Load meter and ESI ID, then the TDSP may request that ERCOT populate the ESI ID(s) for the excluded Load.