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| NPRR Number | [974](http://www.ercot.com/mktrules/issues/NPRR974) | NPRR Title | Capacity Insufficiency Operating Condition Notice (OCN) Transparency |
| Date Posted | September 30, 2019 |
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| Requested Resolution  | Normal |
| Nodal Protocol Sections Requiring Revision  | 6.5.9.3.1, Operating Condition Notice |
| Related Documents Requiring Revision/Related Revision Requests | None |
| Revision Description | This Nodal Protocol Revision Request (NPRR) requires ERCOT to include the amount of the projected capacity shortage and the amount of capacity that is Off-Line but available to start as part of an Operating Condition Notice (OCN) for capacity insufficiency. |
| Reason for Revision |  Addresses current operational issues. Meets Strategic goals (tied to the [ERCOT Strategic Plan](http://www.ercot.com/content/wcm/lists/144926/ERCOT_Strategic_Plan_2019-2023.pdf) or directed by the ERCOT Board). Market efficiencies or enhancements Administrative Regulatory requirements Other: (explain)*(please select all that apply)* |
| Business Case | It is not always apparent to Market Participants why ERCOT issues an OCN for capacity insufficiency. This NPRR provides more information to help Market Participants understand the basis for the OCN so that the OCN will be effective at prompting a response by the market. |

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| **Market Rules Notes** |

Please note NPRR934, Advance Action Notice (AAN) and Clarify Process for Resource Outage Approval Withdrawal, also proposes revisions to Section 6.5.9.3.1.

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| Proposed Protocol Language Revision |

6.5.9.3.1 Operating Condition Notice

(1) ERCOT will issue an Operating Condition Notice (OCN) to inform all QSEs of a possible future need for more Resources due to conditions that could affect ERCOT System reliability. OCNs are for informational purposes only, and ERCOT exercises no additional operational authority with the issuance of this type of notice, but may solicit additional information from QSEs in order to determine whether the issuance of an Advisory, Watch, or Emergency Notice is warranted. When issuing an OCN for capacity insufficiency, ERCOT will include the amount of the projected capacity shortage and the amount of capacity that is offline but available to start prior to the beginning of the first hour included in the OCN. The OCN is the first of four levels of communication issued by ERCOT in anticipation of a possible Emergency Condition.

(2) When time permits, ERCOT will issue an OCN before issuing an Advisory, Watch, or Emergency Notice. However, issuance of an OCN may not require action on the part of any Market Participant, but rather serves as a reminder to QSEs and TSPs that some attention to the changing conditions may be warranted. OCNs serve to communicate to QSEs the need to take extra precautions to be prepared to serve the Load during times when contingencies are most likely to arise.

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| [NPRR857: Replace paragraph (2) above with the following upon system implementation:](2) When time permits, ERCOT will issue an OCN before issuing an Advisory, Watch, or Emergency Notice. However, issuance of an OCN may not require action on the part of any Market Participant, but rather serves as a reminder to QSEs, TSPs, and DCTOs that some attention to the changing conditions may be warranted. OCNs serve to communicate to QSEs the need to take extra precautions to be prepared to serve the Load during times when contingencies are most likely to arise. |

(3) Reasons for OCNs include, but are not limited to, unplanned transmission Outages, and weather-related concerns such as anticipated freezing temperatures, hurricanes, wet weather, and ice storms.

(4) ERCOT will monitor actual and forecasted weather for the ERCOT Region and adjacent NERC regions. When adverse weather conditions are expected, ERCOT may confer with TSPs and QSEs regarding the potential for adverse reliability impacts and contingency preparedness. Based on its assessment of the potential for adverse conditions, ERCOT may require information from QSEs representing Resources regarding the Resources’ fuel capabilities. Requests for this type of information shall be for a time period of no more than seven days from the date of the request. The specific information that may be requested shall be defined in the Operating Guides. QSEs representing Resources shall provide the requested information in a timely manner, as defined by ERCOT at the time of the request.

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| [NPRR857: Replace paragraph (4) above with the following upon system implementation:](4) ERCOT will monitor actual and forecasted weather for the ERCOT Region and adjacent NERC regions. When adverse weather conditions are expected, ERCOT may confer with TSPs, DCTOs, and QSEs regarding the potential for adverse reliability impacts and contingency preparedness. Based on its assessment of the potential for adverse conditions, ERCOT may require information from QSEs representing Resources regarding the Resources’ fuel capabilities. Requests for this type of information shall be for a time period of no more than seven days from the date of the request. The specific information that may be requested shall be defined in the Operating Guides. QSEs representing Resources shall provide the requested information in a timely manner, as defined by ERCOT at the time of the request. |

(5) QSEs and TSPs are expected to establish and maintain internal procedures for monitoring actual and forecasted weather and for implementing appropriate measures when the potential for adverse weather or other conditions (which could threaten ERCOT System reliability) arise.

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| [NPRR857: Replace paragraph (5) above with the following upon system implementation:](5) QSEs, TSPs, and DCTOs are expected to establish and maintain internal procedures for monitoring actual and forecasted weather and for implementing appropriate measures when the potential for adverse weather or other conditions (which could threaten ERCOT System reliability) arise. |