

FREQUENTLY ASKED QUESTIONS

# Earn Revenue and Protect Your Equipment in the ERCOT Responsive Reserve Service Program

The Electric Reliability Council of Texas (ERCOT) introduced the Responsive Reserve Service (RRS) program to help maintain the security and reliability of the electrical grid. RRS alleviates the potential for blackouts by delivering the real-time capacity resources ERCOT needs to restore, or maintain, the grid when system reliability and reserve margins are at risk.

Businesses that are qualified to provide capacity as an ancillary service in the ERCOT market are known as Load Resources (LR). In return, they can earn considerable payments for their flexibility while protecting equipment at their site from decaying grid frequencies. Moreover, LRs earn payments regardless of whether their load is dispatched, as long as their load is available for the full duration of their commitment.

## Who can participate?

Businesses with stable and predictable load profiles that can safely curtail automatically and instantaneously make great LR candidates for RRS. To maximize earnings, LRs must have a predictable load pattern that Enel X can reliably estimate one day in advance.

Due to the short dispatch notification window, LRs must have real-time telemetry installed on site to send load data, breaker status, and under frequency relay (UFR) status to ERCOT in real-time.

## How does my business benefit?

**Maximize payments to your bottom line.** Enel X will work with you to establish your earnings potential based on your specific participation plan including the load and the total hours you commit. Prices vary by hour and month, but for each of the past five years, the hourly

### Responsive Reserve Service (RRS) Overview

<b>Program Period</b> Year-round, 24x7; Commitments are made day-ahead	<b>Payments</b> \$85k – \$100k / MW-year for 24x7 participation
<b>Dispatch Duration</b> < 30 minutes	<b>Dispatch Frequency</b> 1 – 3 annually

RRS clearing price has exceeded \$85,000/MW-year for 24x7 participation.

**Get paid to protect valuable equipment.** Decaying frequencies can have detrimental effects to the equipment at your site. The RRS program provides

frequency protection to the ERCOT grid and will also prevent costly damage to your processes and equipment resulting from a power trip. In essence, you are paid to protect your operations.

## How do I participate?

Enel X makes participation easy. We take care of the complex details so you can stay focused on running your business.

To enable your participation in the RRS program:

1. We will register your facility as a Load Resource with ERCOT and install both an energy monitoring device and a UFR at your site.
2. Our team of experts will work with you to identify curtailable load and build a custom bidding strategy that maximizes your earnings without jeopardizing your operations.

Your RRS bidding strategy will have two components:

1. **Day-ahead:**  
Enel X will develop proposed hourly offers (load and price) for your site to bid into the day-ahead market, giving you the opportunity to confirm or update before any action is taken.
  - > Notify Enel X of any operational load changes by 9:00 a.m. CPT for the day-ahead schedule.
  - > Enel X will bid your offers into the day-ahead market for RRS at 10:00 a.m. CPT.
  - > ERCOT publishes clearing results (your final commitment) by 1:30 p.m. CPT. Once an LR is committed to the RRS market, it cannot commit to any other DR participation for that day.
2. **Day-of:**  
Ensure the load at your facility remains within 95%–150% of your offered MW value. This is critical to remain in compliance with ERCOT. Your payments are based on your load availability, regardless of a dispatch.

## What triggers a dispatch?

There are two scenarios for LRs to be dispatched in the RRS program:

1. Frequency drops below 59.7 Hz. ERCOT requires one or more UFR's to be installed at LR sites so that power can be interrupted automatically and instantaneously when this condition occurs.
2. ERCOT-deployed event. Should ERCOT experience reserve shortages or another grid emergency, LRs are required to curtail grid usage within 10 minutes of the dispatch.

## What happens if I cannot meet my commitment?

Customers will never pay out-of-pocket penalties for under-performance in an RRS dispatch. If you anticipate any outages in your normal schedule, notify Enel X immediately at [ERCOTLRSupport.EnelXus@enel.com](mailto:ERCOTLRSupport.EnelXus@enel.com) or +1 888 363 7662 no later than 9:00 a.m. CPT the day prior to the outage to prevent a reduction in your RRS payment.

## What are the costs to participate?

Enel X pays for all metering equipment, controls, and connectivity fees associated with enrolling your site in the RRS program. We leverage our state-of-the-art Network Operations Center (NOC) to meet ERCOT's strict telemetry, bidding, and dispatch requirements, thereby eliminating any technical costs to our customers.