

NPRR 347 – with SEWG Comments

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 - Common invoice for RT and DA activity
 - Reduces settlement and payment cycle for RT activity
 - Likely will decrease number of invoices for those with DA or DA and RT activity
 - Likely will increase number of invoices for those with only RT activity
 - Adapts credit calculation for common invoice
 - Automates Minimum Calculation

NPRR 347 – with Luminant Comments

- **Luminant comments – generally broadens the scope of NPRR 347 to restructure collateral requirements for DA and RT activity**
 - Broadens use of minimum to all Counter-Parties
 - No minimum for net RT activity only?
 - Eliminates two day cure period for collateral calls
 - Becomes immediate default after 2 day collateral call
 - Eliminate CRR Payments and Charges from DALE calculation that qualify as an offset to PTP Obligations (from Section 7.9)
 - Reduce ADTE multiplier from 40 and DALE multiplier from 16

NPRR 347 – ERCOT Comments

Luminant	ERCOT Comment
Broaden use of minimum to all Counter-Parties and changing formula	<ul style="list-style-type: none"> • Generally approach seems reasonable <ul style="list-style-type: none"> •factor in DA net sales in addition to Q to Q net sales •offset generation for 2 rather than 5 days •Other clean up edits • Will need an impact analysis
Eliminates two day cure period for collateral calls	<ul style="list-style-type: none"> • Policy concern: Given the significant ramification of default (e.g. Mass Transition) and the desire for clarity in the market, ERCOT is considering a one day cure period and one optional day cure period •Administrative concern: <ul style="list-style-type: none"> •With the contract changes proposed in NPRR 347, contracts will need to be re-executed. •In addition, if ERCOT becomes a Central Counter-Party, contracts will need to be re-executed. •For efficiency for both CPs and ERCOT, ERCOT would like to make all changes to the contracts only once, after their Central Counter-Party analysis has been completed.
Eliminate CRR Payments and Charges from DALE calculation that qualify as an offset to PTP Obligations (from Section 7.9)	ERCOT does not have this data in CMM and proposes to eliminate this requirement