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# Item 11: Periodic Report on Credit Work Group Activity

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ERCOT Public  
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- **Next meeting scheduled for December 16, 2013**

## **Key Outstanding Issues:**

- **Review of Minimum Collateral for Traders**
  - Purpose is to establish a more appropriate collateral requirement for Counter-Parties with no load or generation given that current MCE is often minimal
  - ERCOT will include a recommended minimum collateral requirement in draft NPRR

## Key Outstanding Issues:

- **Letter of Credit (LC) Concentration Limits**
  - ERCOT is recommending the use of tangible net worth for use in determining LC concentration limits. Tangible net worth is more transparent and readily available to Market Participants.
- **Update on NPRR 484**
  - System issues with implementation corrected
  - Training still underway, final session on 11/15

- **NPRR 570 Reduce RTM Settlement Timeline to Operating Day Plus 5**
  - Minimal credit implications as most components of the credit calculation aren't impacted
  - Considered credit positive

## **Key Outstanding Issues:**

- **Day Ahead Available Credit Limit (ACLs) for Providers of Last Resort (POLRs) during a mass transition**
  - ERCOT presented the mass transition timing to the group. In the event of a Mass Transition, POLRs acquiring volume may be unhedged for a minimum of one day
  - Further discussion will take place at the December joint CWG/MCWG meeting

## Questions