**Credit Working Group**

**ERCOT**

**Meeting Minutes**

**Feb 21, 2018 (Face-to-Face Meeting, MET Center Room 206B)**

**Attendance**

|  |  |
| --- | --- |
| Independent Retail Electric Providers | Loretto Martin - Direct EnergyBill Barnes - Reliant Energy |
| Independent Power Marketers | Mark Holler - Tenaska Power Inc. |
| Independent Generators | Ian Haley– Luminant Energy |
| Investor Owned Utilities | Deborah McKeever - Oncor |
| Municipals | Donald Meek – Austin EnergyMichael Mathews - Bryan Texas Utilities |
| Cooperatives | Andrew Barkley - Lower Colorado River Authority |
| Others | Seth CochranBob WittmeyerClayton GreerRobert MillerJosephine WanRyan EvansJustin RiddellRon Slagel |  | Kristy AshleyTrey MillerSandy MorrisShams SiddiqiShreenath PatelMatt RobsonKristin Abbott |
| ERCOT Staff | Mark RuaneVanessa SpellsRizaldy ZapantaSpoorthy PapudesiJulio DovalinaMaruthi Gaddam | Kelly LandryCarrie BivensPamela ShawCory PhillipsSuzy Clifton |

The meeting was called to order at 9:31 a.m.

**Approval of Meeting Minutes – January 26, 2018**

Bill Barnes submitted a motion to approve the January 26, 2018 minutes. Donald Meek seconded the motion. Motion passed.

**Review of NPRRs**

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| --- | --- |
| NPRR 853 | Availability of ERCOT Estimated Interval Meter Data |
| NPRR 858 | Provide Complete Current Operating Plan (COP) Data |
| NPRR 864 | RUC Modifications to Consider Market-Based Solutions |
| NPRR 865 | Publish RTM Shift Factors for Hubs, Load Zones, and DC Ties |

Loretto Martin submitted a motion that the above NPRRs do not have any credit implications. Mr. Barnes seconded the motion. Motion passed.

**NPRR 850 Market Suspension and Restart**

The group reviewed and provided some comments. The group will further review in the next meeting.

**CRR Credit Calculator**

Carrie Bivens discussed the proposed changes to Section 16 of the ERCOT Protocols to include the pre-screened exposure amount that will be sent to the credit system at the close of each auction bid window. The group supported the changes and proposed the filing of the NPRR. Mr. Meek submitted a motion to file the NPRR on behalf of the CWG. Mr. Barnes seconded the motion. Motion passed.

**EAL/MCE Reports**

Vanessa Spells asked the group’s approval to retain the information required to calculate the RFAF and DFAF in the EAL Summary Report instead of having a separate report as originally stipulated in the Protocols. The group agreed to retain the information in the EAL Summary Report and keep the separate report gray-boxed. The group will further review the necessity of having a separate report in future discussions regarding the RFAF and DFAF.

**WMS Referrals**

Mr. Barnes informed the group that WMS requested the group to review if the letter of credit issuer limit of $750 Million is still appropriate and the possibility of increasing the limit for larger institutions. The group will continue to monitor usage against issuer limits and revisit in the May meeting.

Mr. Barnes told the group that WMS also asked CWG to review TPE and its components to determine their effectiveness in covering default risks. The group requested ERCOT staff provide historical uplifts/losses for review in the next meeting.

**Credit Updates**

Vanessa Spells updated the group on the status of the implementation of various NPRRs.

**New Business**

Mr. Meek informed the group that the F&A had asked for updates in the June meeting regarding credit preparedness for summer. The group agreed to review the parameters under NPRR 800 and determine any options to better cover credit risks in the summer.

Mr. Barnes proposed to the group to review the mass transition process with the objective of possibly enabling the acquisition of customer portfolios prior to an impending default.

The meeting was adjourned at 11:22 a.m.