**Credit Working Group**

**ERCOT**

**Meeting Minutes**

**June 20, 2018 (Face-to-Face Meeting, MET Center Room 206B)**

**Attendance**

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| Independent Retail Electric Providers | Loretto Martin - Direct Energy  Bill Barnes - Reliant Energy  Cindy Xin - Just Energy | | |
| Independent Power Marketers | Mark Holler - Tenaska Power Inc.  Eric Goff - Citigroup Energy Inc. | | |
| Independent Generators | Ian Haley– Luminant Energy | | |
| Investor Owned Utilities | Deborah McKeever - Oncor | | |
| Municipals | Donald Meek – Austin Energy  Don Daugherty - City of Garland | | |
| Others | Andrew Barkley  Eric Blakey  Seth Cochran  Liz Kayser  Robert Miller  Ryan Evans  Shreenath Patel  Marka Shaw  Cliff Crouch |  | Matt Robson  Jennifer Rochelle  Sandy Morris  Coty Sage  Sandra Morris  Ryan Aldridge  Diana Coleman  Caitlin Smith |
| ERCOT Staff | Mark Ruane  Vanessa Spells  Rizaldy Zapanta  Maruthi Gaddam  Brittney Albracht | | Cory Phillips |

The meeting was called to order at 9:30 a.m.

**Approval of Meeting Minutes – May 16, 2018**

Bill Barnes submitted a motion to approve the May 16, 2018 minutes. Donald Meek seconded the motion. Motion passed.

**Review of NPRRs**

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| NPRR 862 | Updates to Address Revisions under PUCT Project 46369 |
| NPRR 866 | Mapping Registered Distributed Generation and Load Resources to Transmission Loads in the Network Operations Model |
| NPRR 874 | Change to Report for Net Allocation to Load Settlement Stability |
| NPRR 875 | Clarification for the Implementation of NPRR864, RUC Modifications to Consider Market-Based Solutions |
| NPRR 877 | Use of Actual Interval Data for IDR ESI IDs for Initial Settlement |
| NPRR 878 | ERS Obligation Report for TDSPs |

Mark Holler submitted a motion that NPRRs 862, 866, 874, 875 and 878 do not have any credit implications. Mr. Barnes seconded the motion. Motion passed.

Mr. Barnes submitted a motion that NPRR 877 has positive credit implications because it more accurately matches credit exposure to Counter-Party activity. Mr. Holler seconded the motion. Motion passed.

**Mass Transition Discussions**

Mr. Ruane presented the retail market guide Mass Transition timing language with the objective of identifying opportunities to shorten the Mass Transition timeline. He presented options to revise the timing, including reducing the required two-hour notice between ERCOT notification and the start of the coordination meeting. Mr. Ruane also informed the group that Texas SET/TDTMS are hosting a Mass Transition lessons learned meeting tomorrow that could provide more information on the process.

**NPRR 850 Market Suspension and Restart**

Mr. Ruane informed the group that NPRR 850 is still awaiting comments from other groups. The group will review in the next meeting.

**Review Credit Parameters**

Vanessa Spells presented for the group’s review the credit parameters associated with NPRR 800 as well as the parameters used in determining the M1 parameter.

The group agreed that it would be best to review the weightings for the forward weeks after the summer when more information is available. The group also asked ERCOT staff to present in the next meeting any suggested revisions to M1a and to determine how many ESI IDs can be processed daily to test the 100,000 daily transition rate.

**Credit Updates**

Ms. Spells presented to the group the updated credit exposure data. She also presented to the group the LC concentration limits and proposed options in addressing issuer limits when an issuer’s credit rating has been downgraded. The group reviewed the proposed options and agreed to further review in the next meeting. The group also asked ERCOT staff to review the language in the market notice when a Letter of Credit issuer limit is exceeded to avoid any confusion.

**New Business**

Mr. Ruane informed the group that F&A asked ERCOT staff to prepare scenarios addressing the possible impact of a significant pricing event this summer.

The meeting was adjourned at 11:24 a.m.