**Credit Working Group**

**ERCOT**

**Meeting Minutes**

**Aug 15, 2018 (Face-to-Face Meeting, MET Center Room 206A)**

**Attendance**

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| --- | --- |
| Independent Retail Electric Providers | Loretto Martin – Direct Energy |
| Independent Power Marketers | Eric Goff - Citigroup Energy Inc. |
| Independent Generators | Ian Haley– Luminant Energy |
| Municipals | Donald Meek – Austin EnergyMichael Mathews - Bryan Texas Utilities |
| Others | Andrew BarkleyLiz KayserChris JacksonKristin AbbottRobert MillerRyan EvansMarka Shaw |  | Clint SandidgeJosephine WanMatt RobsonBob WittmeyerDiana ColemanSandra Morris |
| ERCOT Staff | Mark RuaneVanessa SpellsSpoorthy PapudesiRizaldy ZapantaMaruthi Gaddam | Julio DovalinaLindsay ButterfieldPam Shaw  |

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

**Approval of Meeting Minutes – July 18, 2018**

Donald Meek submitted a motion to approve the July 18, 2018 minutes. Andrew Barkley seconded the motion. Motion passed.

**NPRR 850 Market Suspension and Restart**

The group agreed to review the NPRR in detail in the next meeting.

**Credit Limit for Surety Bonds**

Vanessa Spells presented to the group for review the invoice and collateral request breach and default transition timeline. ERCOT staff clarified that the process of initiating a demand for payment would need to be clarified and that potentially a letter of authorization from the Counter-Party might need to be secured if drawdown is initiated prior to default. With respect to the current surety bond credit limits, group members suggested that proposed revisions to the limits should be sponsored by a Market Participant.

**M1a Calculation**

The group asked ERCOT staff to draft language that would change the M1a calculation to match daily timelines instead of having fixed values.

**Credit Exposure Updates**

Spoorthy Papudesi presented to the group the latest update on credit exposure.

**Credit Exposure Scenarios**

Mark Ruane presented to the group the presentation of several credit exposure stress case scenarios that was requested by the F&A Committee. Mr. Ruane informed the group that feedback from CWG members will be incorporated in the analysis to be presented to the F&A Committee meeting on October.

**Credit Updates**

Vanessa Spells informed the group that the December 2018 target release date for implementation of remaining NPRRs is currently at risk due to changes in technical requirements. Ms. Spells said that ERCOT staff will be able to provide a more definite timeline of implementation in the next meeting.

The meeting was adjourned at 10:26 a.m.