**Credit Working Group**

**ERCOT**

**Meeting Minutes**

**August 21, 2019 (Face-to-Face Meeting, MET Center Room 206A)**

**Attendance**

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| --- | --- |
| Independent Retail Electric Providers | Bill Barnes - Reliant EnergyLoretto Martin – Direct Energy |
| Independent Power Marketers | Mark Holler - Tenaska Power Inc. |
| Municipals | Donald Meek – Austin EnergyDon Daugherty - City of GarlandMichael Mathews - Bryan Texas Utilities |
| Cooperatives | Andrew Barkley - Lower Colorado River Authority |
| Others | Kristy AshleyBob WittmeyerRyan EvansSeth CochranClayton GreerRyan AldridgeBrenden SagerShams Siddiqi |  | Kevin HansonMariah BensonMatt RobsonRyan MichelSandy MorrisRobert DukeResmi SurendranChris Jackson |
| ERCOT Staff | Mark RuaneVanessa SpellsSpoorthy PapudesiRizaldy ZapantaJulio DovalinaMaruthi GaddamCory Phillips | Erika KaneCarrie BivensAlfredo MorenoPhillip BracyKevin HansonPamela Shaw |

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

**Approval of Meeting Minutes – July 25, 2019**

Donald Meek submitted a motion to approve the July 25, 2019 minutes. Loretto Martin seconded the motion. Motion passed.

**NPRRs for Review**

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| NPRR 918 | Validation Clarification for PTP Obligations with Links to an Option |
| NPRR 930 | Weekly RUC Modifications for Forecasted Emergency Conditions |
| NPRR 941 | Create a Lower Rio Grande Valley Hub |
| NPRR 958 | Modifications to Wind and Solar Capacity Calculations in the CDR |
| NPRR 959 | Creation of a Panhandle Region for Calculation of Seasonal Peak Average Capacity Contributions for Wind |
| NPRR 960 | Phased Approach and Clarifications for NPRR863, Creation of ERCOT Contingency Reserve Service and Revisions to Responsive Reserve |
| NPRR 961 | Related to NOGRR194, Relocate Black Start Training Attendance Requirements to Nodal Operating Guides |
| NPRR 962 | Publish Approved DC Tie Schedules |

Mr. Meek submitted a motion that the NPRRs 918, 941, 958, 959, 960, 961 and 962 have no credit implications. Bill Barnes seconded the motion. Motion passed.

On NPRR 930, Mr. Barnes submitted a motion that the group endorses the comment that NPRR 930 makes parties whole that could be financially harmed by the previous process and therefore has positive credit implications.

**Review of Proposed Surety Bond**

Chris Jackson of Euler Hermes presented to the group a proposed surety bond document that incorporates recommended changes to the current ERCOT Surety Bond standard form. The group noted that the proposed form features substantive changes from the ERCOT standard form and affects various policy issues. To proceed with the evaluation of the proposed form, the group asked ERCOT staff to work with Euler Hermes to come up with a list of policy issues for discussion that will be impacted by the proposed changes.

**ERCOT Updates**

Mark Ruane presented to the group the credit impacts of the summer 2019 price events and the evolution of ICE futures prices. Clayton Greer suggested having a chart that compares Real-Time prices against ICE futures prices.

Spoorthy Papudesi presented the monthly update on credit exposure.

**Other Business**

On the RFI to engage the services of a consultant to evaluate ERCOT’s credit processes, Mr. Ruane informed the group that the F&A asked ERCOT staff to report back in October to discuss the process for evaluating potential consultants and the criteria for selection and scope of the project.

The group agreed to review in the next meeting for potential credit impacts NPRR 917 Nodal Pricing for Settlement Only Distribution Generators (SODGs) and Settlement Only Transmission Generators (SOTGs).

The meeting was adjourned at 10:55 a.m.