**Credit Working Group**

**ERCOT**

**Meeting Minutes**

**January 15, 2020 (Face-to-Face Meeting, MET Center Room 206A)**

**Attendance**

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| --- | --- | --- | --- |
| Independent Retail Electric Providers | Bill Barnes - Reliant Energy  Loretto Martin – Direct Energy | | |
| Independent Power Marketers | Mark Holler - Tenaska Power Inc. | | |
| Independent Generators | Ian Haley - Luminant Generation | | |
| Municipals | Don Daugherty - City of Garland  Michael Mathews - Bryan Texas Utilities | | |
| Cooperatives | Richard Ramirez - Lower Colorado River Authority | | |
| Others | Seth Cochran  Clayton Greer  Josephine Wan  Bob Wittmeyer  Chris Smith  Brenden Sager  Sandy Morris  Matt Robson |  | Coty Sage  Jennifer Rochelle  Darice Ridge  Nathan Case  Ron McNamara  Chris Jackson  Evan Truitt |
| ERCOT Staff | Mark Ruane  Vanessa Spells  Spoorthy Papudesi  Rizaldy Zapanta  Julio Dovalina  Maruthi Gaddam  Cory Phillips  Juliana Morehead | | Erika Kane  Carrie Bivens  Pamela Shaw  Alfredo Moreno  Nathan Smith  Randy Roberts  Leslie Wiley  Amy Gore |

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

**Approval of Meeting Minutes – November 22, 2019**

Loretto Martin submitted a motion to approve the November 22, 2020 minutes. Bill Barnes seconded the motion. Motion passed.

**NPRRs for Review**

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| --- | --- |
| NPRR 955 | Define Limited Impact Remedial Action Scheme (RAS) |
| NPRR 970 | Reliability Unit Commitment (RUC) Fuel Dispute Process Clarification |
| NPRR 980 | Accounting for NSO Forced Outages and GINR Inactive Projects in the Report on the Capacity, Demand and Reserves in the ERCOT Region |
| NPRR 982 | Alignment of Block Load Transfer (BLT) Requirements Between Protocols and Nodal Operating Guide |
| NPRR 988 | Correction to Conditions for DAM Award Eligibility for PTP Obligations with Links to an Option |
| NPRR 985 | Modify Forward Adjustment Factors to Include Pricing for the Current Operating Day |

Ian Haley submitted a motion that NPRRs 955, 970, 980, 982 and 988 have no credit implications. Mr. Barnes seconded the motion. Motion passed.

The group reviewed NPRR 985 and determined that changes proposed in NPRR985 improve the accuracy of the Total Potential Exposure (TPE) calculation and therefore have positive credit impacts. Mr. Haley submitted a motion to endorse the NPRR and the above comments. Josephine Wan seconded the motion. Motion passed.

**Remedies for Late Payments**

Vanessa Spells presented to the group proposed changes to the remedies for late payments. The group will review for credit implications once the NPRR has been filed.

**Suspension/Termination Process for QSEs Representing a Resource Entity**

Ms. Spells presented to the group the suspension/termination process for QSEs representing a Resource Entity and noted that ERCOT staff have identified some gaps in the process.

The group suggested moving the list of QSE Services Available on Short Notice from the Services page of ercot.com to the Committees and Groups\Market Participants page to enable interested Market Participants to easily access the list.

**Modifications to Settlements Timeline**

Ron McNamara presented to the group proposed modifications to the Settlements timeline.

The group reviewed the proposal and agreed to review the possibility of reducing the Real-Time Settlement timeline. The group also suggested reviewing the Final/True-Ups timeline and the cure period for defaulting entities in comparison with other markets.

**ERCOT Updates**

Spoorthy Papudesi presented the monthly update on credit exposure.

**CWG Charter**

Ms. Spells presented the CWG Charter for the group’s review. The group noted that there are no necessary changes to the Charter.

**CWG/MCWG 2020 Goals**

The group agreed to add a goal for 2020 to review the possibility of reducing the settlements timeline.

**CWG/MCWG 2020 Officers**

The following were elected as CWG/MCWG officers:

CWG Chair Mark Holler

CWG Vice Chair Loretto Martin

MCWG Chair Bill Barnes

MCWG Vice Chair Josephine Wan

**New Business**

Mark Ruane informed the group that ERCOT staff has been contacted by a clearing exchange related to third-party clearing of CRRs. This topic will be discussed at future meetings.

Leslie Wiley informed the group that ERCOT Treasury staff will be conducting a February 28 workshop on the payment process.

The meeting was adjourned at 11:16 p.m.