**Credit Working Group**

**ERCOT**

**Meeting Minutes**

**January 20, 2021 (Webex Meeting)**

**Attendance**

|  |  |
| --- | --- |
| Independent Retail Electric Providers | Loretto Martin – NRG/Direct Energy  |
| Independent Power Marketers | Mark Holler - Tenaska Power Inc. |
| Independent Generators | Ian Haley - Luminant GenerationJames Spaulding – Calpine |
| Investor Owned Utilities | Deborah McKeever – Oncor |
| Municipals | Josephine Wan - Austin Energy |
| Cooperatives | Richard Ramirez - Lower Colorado River Authority |
| Others | Bill BarnesBob WittmeyerBrenden SagerSeth CochranKristy AshleyMatt RobsonLucas TurnerCliff LangeJimmy Kuo |  | Tony MarshKim RainwaterLori WilliamsBryan SamsKevin BunchChristopher SmithShawnee Claiborn-PintoTom Burke |
| ERCOT Staff | Mark RuaneVanessa SpellsSpoorthy PapudesiJulio DovalinaRizaldy ZapantaMaruthi GaddamCory Phillips | Ino GonzalezDonal HouseOhlen DinopolShalesh GanjooVicki ScottPhil Bracy |

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

**Approval of Meeting Minutes – November 17, 2020**

Brenden Sager submitted a motion to approve the November 17, 2020 minutes. Mark Holler seconded the motion. Motion passed.

**NPRRs for Review**

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| --- | --- |
| NPRR 1024 | Determination of Significance with Respect to Price Corrections |
| NPRR 1040 | Compliance Metrics for Ancillary Service Supply Responsibility |
| NPRR 1044 | Enhancement of SSR Mitigation Requirement |
| NPRR 1045 | Transmission Operator Definition and Designation |
| NPRR 1053 | BESTF-9 Exemption from Ancillary Service Supply Compliance Requirements for Energy Storage Resources Affected by EEA Level 3 Charging Suspensions |
| NPRR 1054 | Removal of Oklaunion Exemption Language |
| NPRR 1057 | Modification to Real-Time Hub Price Formulas for Fully De-Energized Hubs |
| NPRR 1059 | Ability for MOUs and ECs to Send Non-BUSIDRRQ Interval Data |

Mr. Sager submitted a motion that the above NPRRs are operational and have no credit impact. Mr. Holler seconded the motion. Motion passed.

**2021 CWG/MCWG Leadership**

Vanessa Spells thanked the outgoing officers for their service in 2020 and informed the group that the following were elected as CWG/MCWG officers:

CWG Chair Loretto Martin

CWG Vice Chair James Spaulding

MCWG Chair Brenden Sager

MCWG Vice Chair Seth Cochran

**Review 2020 Goals**

The group reviewed the proposed 2021 CWG goals and added the following goal:

Review the proposed credit assessment methodology and provide guidance to ERCOT to ensure accuracy in assessing risk

Mr. Sager submitted a motion to approve the 2021 goals. Mr. Holler seconded the motion. Motion passed.

**CWG Charter**

Mark Ruane presented to the group the proposed revisions in the CWG Charter that include references to the Other Binding Documents in which the credit scoring model parameters will be housed.

Mr. Sager submitted a motion to approve the CWG Charter as proposed. Loretto Martin seconded the motion. Motion passed.

**DAM/CRR Credit Exposure**

Lucas Turner presented to the group STEC’s proposal to include offsetting CRR position credits in the EAL and extrapolating these to offset charges on QSE positions resulting from congestion. The proposal also includes reducing the corresponding period credits accounted for in the FCE to prevent double-dipping.

The group provided their comments and requested ERCOT staff to provide further analysis and back-casting. The group also commented that this proposal could potentially run in conflict with the provisions of the CFTC exemption and therefore any conflicts would have to be resolved first before further analysis is conducted.

**Credit Scoring Model**

Mr. Ruane provided a summary of discussions on the credit scoring model and asked the group to review. He informed the group that the final version of the NPRR that was presented in November 2020 will be circulated next week. Mr. Ruane said that he will present updated statistics of the scoring model next month.

**ERCOT Updates**

Ms. Papudesi presented the monthly update on credit exposure.

**Other Business**

Ms. Spells asked the group to review the current CWG roster and asked feedback for any changes.

Mr. Ruane informed the group that a FERC Technical Conference will be held to discuss if Credit processes across the different ISOs need to be standardized. ERCOT staff will be monitoring the discussions

Ms. Spells reported that NPRR 867 will go live on June 11 and will be reflected in the Credit reports on June 12. A market notice will be sent out on May 12.

The meeting was adjourned at 11:18 a.m.