**Credit Working Group**

**ERCOT**

**Meeting Minutes**

**May 19, 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 Generation | | | |
| Investor Owned Utilities | Deborah McKeever – Oncor | | | |
| Cooperatives | Richard Ramirez - Lower Colorado River Authority | | | |
| Others | Bill Barnes  Bob Wittmeyer  Brenden Sager  Seth Cochran  Ryan Evans  Kristy Ashley  Matt Robson  Tony Marsh  Kim Rainwater  Christopher Smith  Tom Burke |  | Darice Ridge  Allison Duensing  Shams Siddiqi  Ryan Johnson  Jerry Flanary  Blake Gross  Mariah Benson  Chris Price  Lori Simpson  Diana Coleman  Bryan Sams | Brenda Harris  Sandra Ionescu  Katie Rich  Brad Bell  Danielle Fazio  David Kee  Resmi Surendran  Steve Reedy  Theresa Allen  Ivan Velasquez  Constance Wyman |
| ERCOT Staff | Mark Ruane  Vanessa Spells  Spoorthy Papudesi  Julio Dovalina | | Rizaldy Zapanta  Maruthi Gaddam  Cory Phillips  Erika Kane | Pamela Shaw  Keanen Ryan |

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

**Approval of Meeting Minutes – March 24, 2021 Revised and April 21, 2021**

Brenden Sager submitted a motion to approve the March 24, 2021 minutes as revised. Loretto Martin seconded the motion. Motion passed.

Mr. Sager submitted a motion to approve the April 21, 2021 minutes. Ms. Martin seconded the motion. Motion passed.

**NPRRs for Review**

|  |  |
| --- | --- |
| NPRR 1075 | Update Telemetered HSL for ESRs in Real-Time to Meet Ancillary Service Resource Responsibility. |
| NPRR 1005 | Clarify Definition of Point of Interconnection (POI) and Add Definition Point of Interconnection Bus (POIB) |
| NPRR 1063 | Dynamic Rating Transparency |

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

**Default Uplift**

Mark Ruane presented to the group the interpretation of Protocol Section 16.11.4.1 (b) that the original intent of the subsection was to include 25% of amounts to be uplifted after one year and 25%, or another appropriate percentage, of amounts expected to be repaid under a bankruptcy plan. He clarified that a modification in punctuation occurred when the language was incorporated in the Nodal Protocols that changed the meaning of the clause.

The group discussed the intent of Protocol Section 16.11.4.1 (b) and agreed to draft an NPRR revising the language to the following:

(b) 25% of amounts expected to be uplifted beyond one year of the date of the calculation but not to exceed an amount equal to 10 years’ worth of uplift charges.

The group asked ERCOT staff to review the default uplift policies and practices of other ISOs.

**ERCOT Updates**

Ms. Papudesi presented the monthly update on credit exposure.

**Other Business**

Mark Ruane informed the group that ERCOT staff is currently working on an NPRR proposing changes to unsecured credit.

Shams Siddiqi proposed to discuss in future meetings how DC ties were collateralized during the winter event.

The meeting was adjourned at 11:55 a.m.