**Credit Working Group**

**ERCOT**

**Meeting Minutes**

**June 16,2021 (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  James Spaulding - Exelon Generation Co | | | |
| Investor Owned Utilities | Deborah McKeever – Oncor | | | |
| Municipals | Josephine Wan - Austin Energy | | | |
| Cooperatives | Richard Ramirez - Lower Colorado River Authority | | | |
| Others | Bill Barnes  Bob Wittmeyer  Brenden Sager  Seth Cochran  Ryan Evans  Kristy Ashley  Matt Robson  Kim Rainwater  Christopher Smith  Tom Burke |  | Darice Ridge  Mariah Benson  Diana Coleman  Danielle Fazio  Shawnee Claiborn-Pinto  Caitlin Smith  Jeff Lamp  Chris Hendrix  Paul Tan  Megan Toomey | Daniel Perret  Katie Rich  Brenda Harris  Steve Reedy  Ivan Velasquez  Jenny Rodriguez  Rama Singh Rastogi  Sarai Cortez  Taylor Kilroy  Victor Dvortsov |
| ERCOT Staff | Mark Ruane  Vanessa Spells  Rizaldy Zapanta  Julio Dovalina | | Maruthi Gaddam  Cory Phillips  Juliana Morehead  Erika Kane | Ohlen Dinopol  Matt Folks  Read Comstock |

The meeting was called to order at 9:31a.m.

**Approval of Meeting Minutes – May 19, 2021**

Brenden Sager submitted a motion to approve the May 19, 2021 minutes as revised. Loretto Martin seconded the motion. Motion passed.

**NPRRs for Review**

|  |  |
| --- | --- |
| NPRR 1078 | Clarification of Potential Uplift |
| NPRR 1079 | Day-Ahead Market RRS / ECRS 48-Hour Report Clarification |
| NPRR 1080 | Limiting Ancillary Service Price to System-Wide Offer Cap |
| NPRR 1081 | Revisions to Real-Time Reliability Deployment Price Adder to Consider Firm Load Shed |

On NPRR 1079 Ian Haley submitted a motion that it is operational and has no credit impact. Mark Holler seconded the motion. Motion passed.

On NPRR 1080 and 1081, Mr. Sager submitted a motion that both have positive credit impacts as they better align pricing outcomes with market expectations, and the current credit calculations take into account the changes of this NPRR. Ms. Martin seconded the motion. Motion passed.

On NPRR 1078, Mr. Haley submitted a motion that it has positive credit impacts as it appropriately margins Market Participants for known credit risk related to future default allocation. Mr. Sager seconded the motion. Motion passed.

**NPRR 1073 – Market Participant Application Changes**

The group agreed to discuss the NPRR further in the next meeting. The group also asked ERCOT Legal staff to discuss their comments regarding NPRR 1073 in the next meeting.

**ISO Default Uplift Practices**

Vanessa Spells presented to the group the comparative default uplift practices of ERCOT and other ISOs. Group members provided their comments and agreed to continue the discussion on possible changes to ERCOT’s default uplift methodology in future meetings. Seth Cochran agreed to consolidate all proposals and/or suggested changes to the methodology. Mr. Sager also asked ERCOT staff if a scenario analysis can be made on the default uplift methodology based on settled dollar amounts versus the current use of volumetric activity.

**ERCOT Updates**

Rizaldy Zapanta presented the monthly update on credit exposure.

The meeting was adjourned at 10:42 a.m.