



Item 7.3: Commercial Markets and Credit Update

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Reliability and Markets Committee Meeting

ERCOT Public

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Key Focus Areas in Commercial Operations

- Nodal Protocol Revision Request (NPRR) 1092, Reduce RUC Offer Floor and Remove RUC Opt-Out Provision
 - NPRR is up for approval at the Board
 - Through discussion in the stakeholder process, the proposal up for Board approval is a compromise to limit use of the RUC opt-out provision, as opposed to eliminating it
- NPRR1112, Reduction of Unsecured Credit Limits
 - NPRR is up for approval at the Board
 - While ERCOT's proposal has been to eliminate unsecured credit, the version of the NPRR approved by TAC is only to reduce the amount of unsecured credit allowed

Key Focus Areas in Commercial Operations

- Next steps for implementation of the Firm Fuel Supply Service (FFSS) for this coming winter
 - NPRR primarily focused on settlement of FFSS is approved
 - Public Utility Commission of Texas (PUCT) is providing additional direction that will be captured in the FFSS Request for Proposal (RFP) that ERCOT staff will issue later this year
- On-going discussions with stakeholders regarding transition to more conservative operation and impacts to the wholesale market
 - A Reliability Unit Commitment (RUC) workshop was hosted on August 22, 2022

Key Focus Areas in Commercial Operations

- Continued work on implementing other priority market design elements, including:
 - Load Resources providing Non-Spin
 - Fast Frequency Response (FFR) advancement project
 - ERCOT Contingency Reserve Service (ECRS)