**Credit Working Group**

**ERCOT**

**Meeting Minutes**

**May 18, 2022 (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 |
| Municipals | Don Daugherty - City of GarlandJimmy Kuo – CPS EnergyJosephine Wan - Austin Energy |
| Others | Andy NguyenBill BarnesBlake GrossBob WittmeyerBrenden SagerBrian KozBridget HeadrickBryan SamsCheng Yong |  | Clint SandidgeDanny BerryDarice RidgeDon NguyenJim LeeKatie RichKristy AshleyMariah BensonMatt Robson | Philip diPastenaRamsey CripeRead ComstockRyan EvansSeth CochranShams SiddiqiSteve ReedySuzi McClellanTru Robertson |
| ERCOT Staff | Austin RoselCory PhillipsJudy LuuJulio Dovalina  | Katherine GrossKishore KarriMagie ShanksMark Ruane | Maruthi GaddamMurali KatragaddaRizaldy ZapantaSpoorthy Papudesi |

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

**Approval of Meeting Minutes – March 14, 2022**

Brenden Sager submitted a motion to approve the March 14, 2022 minutes. Loretto Martin seconded the motion. Motion passed.

**NPRRs for Review**

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| --- | --- |
| NPRR 1130 | Weatherization Inspection Fees Sunset Date Extension |
| NPRR 1100 | Allow Generation Resources and Energy Storage Resources to Serve Customer Load When the Customer and the Resource are Disconnected from the ERCOT System |
| NPRR 1127 | Clarification of ERCOT Hotline Uses |
| NPRR1131 | Controllable Load Resource Participation in Non-Spin |
| NPRR1110 | Black Start Requirements Update |
| NPRR1129 | Posting ESI IDs of Transmission-Voltage Customer Opt-Outs |

Mr. Sager submitted a motion that these are operational and have no credit impact. Ms. Martin seconded the motion. Motion passed.

**NPRR 1088 - Applying Forward Adjustment Factors to Forward Market Positions**

Shams Siddiqi discussed his proposals related to NPRR 1088, including the suspension of activity when collateral requirements are not met and reporting such violations to the PUC. He also suggested instituting a Real-Time credit limit constraint similar to DAM. Mark Ruane responded that ERCOT does not typically report Protocol violations of traders to the PUC. He also said that ERCOT may not able to support a manual process to monitor suspension of activity in Real-Time.

The group agreed to proceed with drafting a NPRR based on the suggested changes discussed.

**NPRR 1126 - Default Uplift Allocation Enhancement**

Austin Rosel presented to the group the impact of removing CRR auction activity and multiplying CRRs and PTPs owned by a scalar with 50%, 60%, 70%, 80% and 90% multipliers at QSE/CRRAH and CP level as requested in the March meeting.

Seth Cochran presented the key points and benefits of NPRR 1126 Default Uplift Allocation Enhancement. He added that the new methodology if approved will only apply to any new defaults. The group provided their comments and suggestions.

The group will further discuss in the next meeting.

**ERCOT Updates**

Spoorthy Papudesi presented the monthly update on credit exposure.

**Other Business**

Mark Ruane informed the group that there is no specific date set yet for the default uplift but it would likely be by the end of the month. He added that the reconciliation of default uplift will be released soon.

Ms. Martin requested if possible to provide the breakdown of the default uplift by operating day.

The meeting was adjourned at 11:12 a.m.