**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 Garland  Jimmy Kuo – CPS Energy  Josephine Wan - Austin Energy | | | |
| Others | Andy Nguyen  Bill Barnes  Blake Gross  Bob Wittmeyer  Brenden Sager  Brian Koz  Bridget Headrick  Bryan Sams  Cheng Yong |  | Clint Sandidge  Danny Berry  Darice Ridge  Don Nguyen  Jim Lee  Katie Rich  Kristy Ashley  Mariah Benson  Matt Robson | Philip diPastena  Ramsey Cripe  Read Comstock  Ryan Evans  Seth Cochran  Shams Siddiqi  Steve Reedy  Suzi McClellan  Tru Robertson |
| ERCOT Staff | Austin Rosel  Cory Phillips  Judy Luu  Julio Dovalina | | Katherine Gross  Kishore Karri  Magie Shanks  Mark Ruane | Maruthi Gaddam  Murali Katragadda  Rizaldy Zapanta  Spoorthy 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**

|  |  |
| --- | --- |
| 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.