|  |  |  |  |
| --- | --- | --- | --- |
| NPRR Number | [1155](https://www.ercot.com/mktrules/issues/NPRR1155) | NPRR Title | Attestation Regarding Market Participant Citizenship, Ownership, or Headquarters |
| Date of Decision | | March 21, 2023 | |
| Action | | Recommended Approval | |
| Timeline | | Normal | |
| Proposed Effective Date | | June 1, 2023 | |
| Priority and Rank Assigned | | Not applicable | |
| Nodal Protocol Sections Requiring Revision | | 16.1, Registration and Execution of Agreements  16.1.3, Market Participant Citizenship, Ownership, or Headquarters (new)  16.15, Registration of Independent Market Information System Registered Entity  23, Form M, Independent Market Information System Registered Entity (IMRE) Application for Registration  23, Form Q, Attestation Regarding Market Participant Citizenship, Ownership, or Headquarters (new) | |
| Related Documents Requiring Revision/Related Revision Requests | | None | |
| Revision Description | | This Nodal Protocol Revision Request (NPRR) amends the Market Participant eligibility criteria in Section 16, Registration and Qualification of Market Participants, by providing that an Entity is not eligible to register or maintain its registration with ERCOT as a Market Participant if the Entity meets any of the prohibited citizenship, ownership or headquarters criteria established in the Lone Star Infrastructure Protection Act (LSIPA), Texas Business and Commerce Code, Sections 113.002(a)(2)(A)-(b)(2)(B) or 2274.0102(a)(2)(A)-(b)(2)(B), added by Act of June 18, 2021, 87th Leg., R.S., Ch. 975 (S.B. 2116).  The NPRR provides that if an Entity meets any of the LSIPA criteria solely due to the citizenship, ownership or headquarters of a wholly owned subsidiary, majority-owned subsidiary, or Affiliate, the Entity may be eligible to register as a Market Participant if it certifies that the subsidiary or Affiliate at issue will not have direct or remote access to or control of ERCOT’s Wide Area Network (WAN), Market Information System (MIS), or any data from such ERCOT systems.  Any Entity that seeks to register as a Market Participant will be required to submit an attestation as reflected in the form Section 23, Form Q, certifying that the Entity complies with the LSIPA criteria. If there are changes to a Market Participant’s citizenship, ownership, or headquarters such that the Market Participant meets any of the prohibited company citizenship, ownership or headquarters criteria identified in the LSIPA, then the Market Participant will be required to execute and submit a new attestation to ERCOT within ten Business Days of the change becoming effective.  This NPRR amends the eligibility criteria for registration as an Independent Market Information System Registered Entity (IMRE) by adding a requirement that an Entity must have a genuine professional or business purpose for obtaining access to the MIS Secure Area to qualify for registration as an IMRE. ERCOT may determine, in its sole discretion, whether the Entity’s purpose qualifies for registration. | |
| Reason for Revision | | Addresses current operational issues.  Meets Strategic goals (tied to the [ERCOT Strategic Plan](https://www.ercot.com/files/docs/2018/12/13/ERCOT_Strategic_Plan_2019-2023.pdf) or directed by the ERCOT Board).  Market efficiencies or enhancements  Administrative  Regulatory requirements  Other: (explain)  *(please select all that apply)* | |
| Business Case | | This NPRR amends Market Participant and IMRE registration criteria in the Protocols to align with the requirements and objectives of the LSIPA. | |
| PRS Decision | | On 12/8/22, PRS voted unanimously to table NPRR1155. All Market Segments participated in the vote.  On 2/9/23, PRS voted unanimously to recommend approval of NPRR1155 as submitted. All Market Segments participated in the vote.  On 3/8/23, PRS voted unanimously to endorse and forward to TAC the 2/9/23 PRS Report and 11/22/22 Impact Analysis for NPRR1155. All Market Segments participated in the vote. | |
| Summary of PRS Discussion | | On 12/8/22, ERCOT Staff provided an overview of NPRR1155. Some participants expressed concern that NPRR1155 may exceed the intended scope of the LSIPA and requested tabling for additional review.  On 2/9/23, there was no discussion.  On 3/8/23, there was no discussion. | |
| TAC Decision | | On 3/21/23, TAC voted unanimously to recommend approval of NPRR1155 as recommended by PRS in the 3/8/23 PRS Report. All Market Segments participated in the vote. | |
| Summary of TAC Discussion | | On 3/21/23, TAC reviewed the ERCOT Opinion, ERCOT Market Impact Statement, and Independent Market Monitor (IMM) Opinion for NPRR1155. | |

|  |  |
| --- | --- |
| **Opinions** | |
| Credit Review | ERCOT Credit Staff and the Market Credit Working Group (MCWG) have reviewed NPRR1155 and do not believe that it requires changes to credit monitoring activity or the calculation of liability. |
| Independent Market Monitor Opinion | IMM has no opinion on NPRR1155. |
| ERCOT Opinion | ERCOT supports approval of NPRR1155. |
| ERCOT Market Impact Statement | ERCOT Staff has reviewed NPRR1155 and believes the market impact for NPRR1155 properly aligns the Protocols with applicable law regarding registered Entities within the ERCOT market. |

|  |  |
| --- | --- |
| Sponsor | |
| Name | Doug Fohn |
| E-mail Address | [Douglas.fohn@ercot.com](mailto:Douglas.fohn@ercot.com) |
| Company | ERCOT |
| Phone Number | 512-275-7447 |
| Cell Number |  |
| Market Segment | Not applicable |

|  |  |
| --- | --- |
| **Market Rules Staff Contact** | |
| **Name** | Cory Phillips |
| **E-Mail Address** | [Cory.phillips@ercot.com](mailto:Cory.phillips@ercot.com) |
| **Phone Number** | 512-248-6464 |

|  |  |
| --- | --- |
| **Comments Received** | |
| Comment Author | **Comment Summary** |
| None |  |

|  |
| --- |
| **Market Rules Notes** |

None

|  |
| --- |
| Proposed Protocol Language Revision |

**16.1 Registration and Execution of Agreements**

(1) ERCOT shall require each Market Participant to register and execute the Standard Form Market Participant Agreement and, as applicable, Standard Form Reliability Must-Run Agreement, and Standard Form Black Start Agreement.

(2) A Standard Form Market Participant Agreement is in Section 22, Attachments, and ERCOT shall also post this agreement on the ERCOT website.

(3) ERCOT shall post on the ERCOT website all registration procedures and applications necessary to complete registration for any function described in these Protocols. As part of its registration procedures, ERCOT may require one or more of the following:

(a) Reasonable tests of the ability of a Market Participant to communicate with ERCOT or perform as required under these Protocols;

(b) An application fee as determined by the ERCOT Board;

(c) Related agreements for specific purposes (such as agency designation, meter splitting, or network interconnection) that apply only to some Market Participants;

(d) A representation to ERCOT that no officer, owner, partner or other equity interest owner of the Entity was CEO or President or collectively held more than a 10% equity interest in (as owner, partner or other equity interest owner) another Entity at the time of a default where the default resulted in amounts owed to ERCOT remaining unpaid on any Agreement with ERCOT; and

(e) An attestation regarding citizenship, ownership, or headquarters of the Entity seeking to register as a Market Participant.

16.1.3 Market Participant Citizenship, Ownership, or Headquarters

(1) An Entity is not eligible to register or maintain its registration with ERCOT as a Market Participant if the Entity:

(a) Is a person who is a citizen of China, Iran, North Korea, Russia, or a country designated by the Governor as a threat to critical infrastructure pursuant to Texas Business and Commerce Code, Sections 113.003 or 2274.0103, added by Act of June 18, 2021, 87th Leg., R.S., Ch. 975 (S.B. 2116); or

(b) Is an Entity that meets any of the company ownership (including Affiliates) or headquarters criteria listed in Texas Business and Commerce Code, Sections 113.002(a)(2)(A)-(b)(2)(B) or 2274.0102(a)(2)(A)-(b)(2)(B), added by Act of June 18, 2021, 87th Leg., R.S., Ch. 975 (S.B. 2116).

(2) If an Entity meets any of the above listed criteria solely due to the citizenship, ownership or headquarters of a wholly owned subsidiary, majority-owned subsidiary, or Affiliate, the Entity may be eligible to register as a Market Participant if it certifies that the subsidiary or Affiliate at issue will not have direct or remote access to or control of ERCOT’s Wide Area Network (WAN), Market Information System (MIS), or any data from such ERCOT systems.

(3) Any Entity that seeks to register as a Market Participant shall submit an attestation as reflected in Section 23, Form Q, Attestation Regarding Market Participant Citizenship, Ownership, or Headquarters, certifying that the Entity complies with the above criteria.

(4) If there are changes to a Market Participant’s citizenship, ownership, or headquarters such that the Market Participant meets any of the prohibited company citizenship, ownership (including Affiliations) or headquarters criteria identified in the Lone Star Infrastructure Protection Act, Texas Business and Commerce Code, Sections 113**.**002(a)(2)(A)-(b)(2)(B) or 2274.0102(a)(2)(A)-(b)(2)(B), added by Act of June 18, 2021, 87th Leg., R.S., Ch. 975 (S.B. 2116), then the Market Participant shall execute and submit a new attestation to ERCOT within ten Business Days of the change becoming effective.

**16.15 Registration of Independent Market Information System Registered Entity**

(1) Each Entity intending to qualify to access ERCOT’s Market Information System (MIS) Secure Area, independent of any other Market Participant role, shall register with ERCOT, including any applicable fees, designating Authorized Representatives, contacts, and a User Security Administrator (USA) (per the Application for Registration as an Independent Market Information System Registered Entity (IMRE)), and execute a Standard Form Market Participant Agreement (as provided in Section 22, Attachment A, Standard Form Market Participant Agreement) prior to receiving a USA Digital Certificate for setting access to ERCOT’s MIS Secure Area.

(2) An Entity must have a genuine professional or business purpose for obtaining access to the MIS Secure Area to qualify for registration as an IMRE. ERCOT may determine, in its sole discretion, whether the Entity’s purpose qualifies for registration.

(3) Continued status as an IMRE is contingent upon compliance with all applicable requirements in these Protocols. ERCOT may suspend an IMRE’s rights as a Market Participant when ERCOT reasonably determines that it is an appropriate remedy for the Entity’s failure to satisfy any applicable requirement.

**ERCOT Nodal Protocols**

**Section 23**

**Form M: Independent Market Information System Registered Entity (IMRE) Application for Registration**

**TBD**

Date Received: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**INDEPENDENT MARKET INFORMATION SYSTEM REGISTERED ENTITY (IMRE)**

**APPLICATION FOR REGISTRATION**

This application is for approval as an IMRE by the Electric Reliability Council of Texas Inc. (ERCOT) in accordance with the ERCOT Protocols. Information may be inserted electronically to expand the reply spaces as necessary. ERCOT will accept the completed, executed application via email to [MPRegistration@ercot.com](mailto:MPRegistration@ercot.com) (.pdf version) or via mail to Market Participant Registration, 8000 Metropolis Drive (Building E), Suite 100, Austin, Texas 78744. In addition to the application, ERCOT must receive an application fee in the amount of $500 via check or wire transfer. If you need assistance filling out this form, or if you have any questions, please call (512) 248-3900.

This application must be signed by the Authorized Representative, Backup Authorized Representative or an Officer of the company listed herein, as appropriate. ERCOT may request additional information as reasonably necessary to support operations under the ERCOT Protocols.

**PART I – ENTITY Information**

|  |  |
| --- | --- |
| **Legal Name of the Applicant:** |  |
| **Legal Address of the Applicant:** | Street Address: |
|  | City, State, Zip: |
| **DUNS¹ Number:** |  |

**¹**Defined in Section 2.1, Definitions.

**1. Authorized Representative (AR)**.Defined in Section 2.1, Definitions.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Name:** | | |  | | | | **Title:** |  | | |
| **Address:** | |  | | | | | | | | |
| **City:** |  | | | | **State:** |  | | | **Zip:** |  |
| **Telephone:** | |  | | | | **Fax:** |  | | | |
| **Email Address:** | | | |  | | | | | | |

**2. Backup AR.** *(Optional)* This person may sign any form for which an AR’s signature is required and will perform the functions of the AR in the event the AR is unavailable.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Name:** | | |  | | | | **Title:** |  | | |
| **Address:** | |  | | | | | | | | |
| **City:** |  | | | | **State:** |  | | | **Zip:** |  |
| **Telephone:** | |  | | | | **Fax:** |  | | | |
| **Email Address:** | | | |  | | | | | | |

**3. Type of Legal Structure**. (Please indicate only one.)

Individual  Partnership  Municipally Owned Utility

Electric Cooperative  Limited Liability Company  Corporation

Other:

**If Applicant is not an individual, provide the state in which the Applicant is organized,** **, and the date of organization:**

**4. Professional or business purpose for IMRE registration:      \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**5. User Security Administrator (USA)**.As defined in Section 16.12, User Security Administrator and Digital Certificates, the USA is responsible for managing the Market Participant’s access to ERCOT’s computer systems through Digital Certificates.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Name:** | | |  | | | | **Title:** |  | | |
| **Address:** | |  | | | | | | | | |
| **City:** |  | | | | **State:** |  | | | **Zip:** |  |
| **Telephone:** | |  | | | | **Fax:** |  | | | |
| **Email Address:** | | | |  | | | | | | |

**6. Backup USA**. *(Optional)* This person may perform the functions of the USA as defined in the ERCOT Protocols in the event the USA is unavailable.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Name:** | | |  | | | | **Title:** |  | | |
| **Address:** | |  | | | | | | | | |
| **City:** |  | | | | **State:** |  | | | **Zip:** |  |
| **Telephone:** | |  | | | | **Fax:** |  | | | |
| **Email Address:** | | | |  | | | | | | |

**7. Cybersecurity**. This contact is responsible for communicating Cybersecurity Incidents.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Name:** | | |  | | | | **Title:** |  | | |
| **Address:** | |  | | | | | | | | |
| **City:** |  | | | | **State:** |  | | | **Zip:** |  |
| **Telephone:** | |  | | | | **Fax:** |  | | | |
| **Email Address:** | | | |  | | | | | | |

**PART II – ADDiTIONAL REQUIRED Information**

**1. Officers.** ERCOT will obtain the names of all individuals and/or entities listed with the Texas Secretary of State or otherwise designated as having binding authority for the Applicant. ERCOT will use this list of individuals to determine who can execute such documents as the Standard Form Market Participant Agreement (SFA), Amendment to the SFA, Digital Certificate Audit Attestation, etc. Alternatively, additional documentation (Articles of Incorporation, Board Resolutions, Delegation of Authority, Secretary’s Certificate, etc.) can be provided to prove binding authority for the Applicant.

**2. Affiliates and Other Registrations.** Provide the name, legal structure, and relationship of each of the Applicant’s affiliates, if applicable. See Section 2.1, Definitions, for the definition of “Affiliate.” Please also provide the name and type of any other ERCOT Market Participant registrations held by the Applicant. *(Attach additional pages if necessary.)*

|  |  |  |
| --- | --- | --- |
| **Affiliate Name**  (or name used for other ERCOT registration) | **Type of Legal Structure**  (partnership, limited liability company, corporation, etc.) | ***Relationship***  (parent, subsidiary, partner, affiliate, etc.) |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

**PART III – SIGNATURE**

I affirm that I have personal knowledge of the facts stated in this application and that I have the authority to submit this application form on behalf of the Applicant. I further affirm that all statements made and information provided in this application form are true, correct and complete, and that the Applicant will provide to ERCOT any changes in such information in a timely manner.

|  |  |
| --- | --- |
| **Signature of AR, Backup AR or Officer:** |  |
| **Printed Name of AR, Backup AR or Officer:** |  |
| **Date:** |  |

**ERCOT Nodal Protocols**

**Section 23**

**Form Q: Attestation Regarding Market Participant Citizenship, Ownership, or Headquarters**

**TBD**

**Attestation Regarding Market Participant Citizenship, Ownership, or Headquarters**

**Legal Name of Market Participant (Applicant):**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Legal Address of Applicant:**\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Applicant DUNS number:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Check the one box that applies [do not check both boxes]:

1. With respect to the above referenced Applicant, I hereby attest that:

 NONE of the following statements in paragraphs (A) - (D) are TRUE.

 ONE OR MORE of the following statements in paragraphs (A) - (D) are TRUE.

(A) The Applicant, or a wholly owned subsidiary, majority-owned subsidiary, parent company, or Affiliate of the Applicant, is owned by:

(i) Individuals who are citizens of China, Iran, North Korea, Russia, or a designated country;[[1]](#footnote-1) or

(ii) A company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or

(B) The majority of stock or other ownership interest of the Applicant, or a wholly owned subsidiary, majority-owned subsidiary, parent company, or Affiliate of the Applicant is held or controlled by:

(i) Individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; or

(ii) A company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or

(C) The Applicant, or a wholly owned subsidiary, majority-owned subsidiary, parent company, or Affiliate of the Applicant is headquartered in China, Iran, North Korea, Russia, or a designated country; or

(D) The Applicant is a person and is a citizen of China, Iran, North Korea, Russia, or a designated country.

**If you checked the box for “ONE OR MORE of the following statements in paragraphs (A) - (D) are TRUE” solely because a wholly owned subsidiary, majority-owned subsidiary, or Affiliate meets any of the citizenship or headquarters criteria listed above, then please answer question 2 below.**

2. With respect to the subsidiary or Affiliate at issue, check the one box that applies [do not check both boxes]:

 The subsidiary or Affiliate will NOT have direct or remote access to or control of ERCOT’s Wide Area Network (WAN), Market Information System (MIS), or any data from such ERCOT systems.

 The subsidiary or Affiliate will have direct or remote access to or control of ERCOT’s WAN, MIS, or any data from such ERCOT systems.

By signing below, I certify that I am authorized to bind the Applicant listed above, that I am authorized to execute and submit this attestation on behalf of Applicant, and that the statements contained herein are true and correct.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date

1. The term “designated country” as used in this attestation shall have the same meaning as the definition of that term in Texas Business and Commerce Code, Section 113.001(4), added by Act of June 18, 2021, 87th Leg. R.S. Ch. 975 (S.B. 2116). [↑](#footnote-ref-1)