**TO: ERCOT Stakeholders**

**FROM:** Brenden Sager

**DATE:**  26 June 2023

1. Antitrust Admonition // Z. Zapanta

2. Change in Collateral Forms - Follow up Discussion and Endorsement // K. Gross

Discussed in April and May

Credit forms, letter of credit, surety bonds and PG

Working on 1165 (voted out of CFSG to PRS)

Eliminates references to guarantors

Remaining are surety bonds and letters of credit

Redlines to surety bonds available meeting in April,

Surety bonds no changes

Reflect we do not want to receive faxes

Comment on demand letters, ERCOT doesn’t need to provide additional exhibits to banks

Sanchir: moving to electronic forms from hard copies (as was done during covid); electronic payments to/from banks

Most banks OK doing this electronically now

Endorsed through voice vote (no objections)

3. NPRR 1175 on Background Checks - Follow up Discussion and Vote // K. Gross

Seth Cochran, questions on document request,

Regulators may require transactions,

Amended to reflect comments from DC Energy on 2b and 2c (see updated NPRR comments); reappears three other times; also in CRR and application process

Mark Holler: ambiguity what’s reportable and not reportable

FERC sends requests for info; Those are just “hey explain this”

Show cause order, wrongdoing investigation,

Specificity, NOPR, ISO’s requiring share credit info which each other

Risks of ISO’s overreacting in

Specific definitions in regulatory docs that may need to be incorporated

Everything significant is included but frivolous things are not

Sharing info from ISO’s ERCOT may be excluded from sharing with other ISO’s (Sanchir Dashnyam)

Other ISO’s share their info with ERCOT

Unanimously voted to endose

4. Discussion on NPRR 1146 - Possible Vote // B. Sager

Getting those exposure calculations right

Extensive discussion over credit calculations

Any change to credit algo will require extensive programming, testing, prioritization, expense and timelines

5. NPRR 1184 Update to Procedures for Managing Interest on Cash Collateral and Vote // S. Dashnyam

Carries unanimously

6. Discussion on LC Issuing Bank Qualifications and Surety Bonds // S. Dashnyam

See presentation in June meeting materials

7. EAL Changes to Better Capture Exposure and Reduce Negative Gaps // S. Siddiqi

Covered in No 4

8. NPRR 1174: Market Participant’s Return of Settlement Funds to ERCOT Following Receipt of Overpayment - Require Vote // Z. Zapanta

Doug Fohn with ERCOT

Process similar to ADR process

Return funds to ERCOT voluntarily when it believes ERCOT’s payment is in error

CFSG voted to approve

9. New NPRRs for CFSG - Require Vote // Z. Zapanta

NPRR 1182 & 1183 voted as operational

10. ERCOT Updates - Credit Exposure // Z. Zapanta

See presentation in June meeting materials

11. New Business

Vice Chair Loretto Martin requested ERCOT to develop a report that details the invoices posted that day. These are private to each market participant.  So if ERCOT posts 6 ERO, 3 Sub M, 7 Sub N, and 13 regular. It would have the details as in which QSE, inv #, invoice type and amount. She also asked Austin about the Volt Short pay that still has to be refunded to Market Participants in a separate email.