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| **Date:** | October 10, 2023 |
| **To:** | Board of Directors |
| **From:** | Clif Lange, Technical Advisory Committee (TAC) Chair |
| **Subject:** | Unopposed Revision Requests Recommended by TAC for Approval |

## Issue for the ERCOT Board of Directors

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| **ERCOT Board of Directors Meeting Date:** October 17, 2023  **Item No.:** 3.1 |

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| **Issue:**Consideration of the following Revision Requests: Nodal Protocol Revision Request (NPRRs) and System Change Request (SCR) recommended for approval by TAC (with no opposing votes recorded):  * NPRR1184, Update to Procedures for Managing Interest on Cash Collateral; and * SCR824, Increase File Size and Quantity Limits for RIOO Attachments. |
| **Background/History:** **Unless otherwise noted: (i) all Market Segments participated in each vote; (ii) For NPRRs, ERCOT Credit Staff and the Credit Finance Sub Group (CFSG) have reviewed the NPRR and do not believe it requires changes to credit monitoring activity or the calculation of liability; (iii) ERCOT supports the Revision Request; and (iv) the Independent Market Monitor (IMM) has no opinion on the Revision Request.**   * ***NPRR1184, Update to Procedures for Managing Interest on Cash Collateral***   **Sponsor:** Tenaska  **Proposed Effective Date:** Phase 1 – Upon system implementation; Phase 2 – Upon system implementation (Priority 2024; Rank 4060)  **ERCOT Impact Analysis:** Phase 1 – Less than $10K (O&M), Phase 2 - Between $100K and $150K; no impacts to ERCOT staffing; impacts to Credit Management Systems (CMM), Data Management & Analytic Systems, Channel Management Systems, and ERCOT Website and MIS Systems; no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices.  **Revision Description:** This NPRR clarifies ERCOT’s management of interest received by ERCOT and owed to Counter-Parties for posted Cash Collateral, and requires ERCOT to credit Counter-Party Collateral accounts for interest on a monthly basis, as opposed to the current annual process. Additionally, this NPRR requires ERCOT to report the interest calculation.  **TAC Decision:** On 9/26/23, TAC voted unanimously to recommend approval of NPRR1184 as recommended by PRS in the 9/13/23 PRS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1184 and believes that it provides a positive market impact by creating market efficiencies and enhancements through, both, the clarification of ERCOT’s management of interest that is received by ERCOT and owed to Counter-Parties for posted Cash Collateral, and the requirement that ERCOT credit Counter-Party Collateral accounts for interest on a monthly basis and report the interest calculation   * ***SCR824,*** ***Increase File Size and Quantity Limits for RIOO Attachments***   **Sponsor:** Genesis Consolidated Industries  **Proposed Effective Date:** Upon system implementation  **ERCOT Impact Analysis:** Less than $10K (O&M); no impacts to ERCOT staffing; impacts to Resource Integration and Ongoing Operations (RIOO); no impacts to ERCOT business processes; no impacts to ERCOT grid operations and practices.  **Revision Description:** This SCR increases the attachment file size and quantities allowed within the RIOO system.  **TAC Decision:** On 9/26/23, TAC voted unanimously to recommend approval of SCR824 as recommended by PRS in the 7/13/23 PRS Report.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed SCR824 and believes it has a positive market impact by increasing the file sizes and quantities for attachments within RIOO without negatively impacting loading and processing times.  The TAC Reports and Impact Analyses for these Revision Requests are included in the [ERCOT Board meeting materials](https://www.ercot.com/calendar/10172023-Board-of-Directors-Meeting).  In addition, these Revision Requests ([NPRR](https://www.ercot.com/mktrules/issues/nprr) and [SCR](https://www.ercot.com/mktrules/issues/scr)) and supporting materials are posted on the ERCOT website. |
| **Key Factors Influencing Issue:** The PRS met, discussed the issues, and submitted reports to TAC regarding NPRR1184 and SCR824. |
| **Conclusion/Recommendation:** As more specifically described above, TAC recommends that the Board recommend approval of NPRR1184 and SCR824. |

**ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.**

**BOARD OF DIRECTORS RESOLUTION**

WHEREAS, after due consideration of the alternatives, the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) deems it desirable and in the best interest of ERCOT to recommend approval of the following Nodal Protocol Revision Request (NPRR) and System Change Request (SCR) recommended for approval by TAC:

* NPRR1184, Update to Procedures for Managing Interest on Cash Collateral; and
* SCR824, Increase File Size and Quantity Limits for RIOO Attachments.

THEREFORE, BE IT RESOLVED, that the Board hereby recommends approval of NPRR1184 and SCR824.

**CORPORATE SECRETARY’S CERTIFICATE**

I, Jonathan M. Levine, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its October 17, 2023 meeting, the Board passed a motion approving the above Resolution by \_\_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_ day of October, 2023.

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Jonathan M. Levine

Assistant Corporate Secretary