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| **Date:** | April 16, 2024 |
| **To:** | Board of Directors |
| **From:** | Caitlin Smith, 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:** April 23, 2024  **Item No.:** 3.1 |

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| **Issue:**Consideration of the following Revision Requests: Nodal Protocol Revision Request (NPRR) and Retail Market Guide Revision Request (RMGRR) recommended for approval by TAC (with no opposing votes recorded):  * NPRR1205, Revisions to Credit Qualification Requirements of Banks and Insurance Companies; and * RMGRR177, Switch Hold Removal Clarification. |
| **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.**   * ***NPRR1205, Revisions to Credit Qualification Requirements of Banks and Insurance Companies***   **Sponsor:** ERCOT  **Proposed Effective Date:** Upon system implementation – Priority 2025; Rank 4520  **Estimated Impacts:** Between $80K and $120K  **Revision Description:** This NPRR strengthens ERCOT’s market entry eligibility and continued participation requirements for ERCOT Counter-Parties (i.e., Qualified Scheduling Entities (QSEs) and Congestion Revenue Right (CRR) Account Holders).  **TAC Decision:** On 3/27/24, TAC voted unanimously to recommend approval of NPRR1205 as recommended by PRS in the 3/20/24 PRS Report and the 3/26/24 Revised Impact Analysis.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed NPRR1205 and believes the market impact for NPRR1205 strengthens ERCOT’s market entry eligibility and continued participation requirements.  **CFSG Review:** See 2/23/24 CFSG comments   * ***RMGRR177,*** ***Switch Hold Removal Clarification***   **Sponsor:** TDTMS  **Proposed Effective Date:** The first of the month following Public Utility Commission of Texas (PUCT) approval  **Estimated Impacts**: No Impact  **Revision Description:** This RMGRR provides clarity on the lease agreement option of the documentation required from the Customer by the Competitive Retailer (CR) seeking to remove a switch hold that has been applied to a Premise for which the Customer is seeking to enroll.  **TAC Decision:** On 3/27/24, TAC voted to recommend approval of RMGRR177 as recommended by RMS in the 3/5/24 RMS Report. There were two abstentions from the Consumer (OPUC, Residential Consumer) Market Segment.  **ERCOT Market Impact Statement:** ERCOT Staff has reviewed RMGRR177 and believes that it provides a positive market impact by offering process improvements that provide clarity to the lease agreement option of the documentation required from the Customer by the CR seeking to remove a switch hold that has been applied to a Premise for which the Customer is seeking to enroll.  The TAC Reports and Impact Analyses for these Revision Requests are included in the [ERCOT Board meeting materials](https://www.ercot.com/calendar/04232024-Board-of-Directors-Meeting).  In addition, these Revision Requests 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 NPRR1205.  The RMS met, discussed the issues, and submitted reports to TAC regarding RMGRR177. |
| **Conclusion/Recommendation:** As more specifically described above, TAC recommends that the Board recommend approval of NPRR1205 and RMGRR177. |

**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 Retail Market Guide Revision Request (RMGRR) recommended for approval by TAC:

* NPRR1205, Revisions to Credit Qualification Requirements of Banks and Insurance Companies; and
* RMGRR177, Switch Hold Removal Clarification.

THEREFORE, BE IT RESOLVED, that the Board hereby recommends approval of NPRR1205 and RMGRR177.

**CORPORATE SECRETARY’S CERTIFICATE**

I, Jonathan M. Levine, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its April 23, 2024 meeting, the Board passed a motion approving the above Resolution by \_\_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_ day of April, 2024.

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Jonathan M. Levine

Assistant Corporate Secretary