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| --- | --- | --- | --- |
| NPRR Number | [1305](https://www.ercot.com/mktrules/issues/NPRR1305) | NPRR Title | Move OBD to Section 23 – Counter-Party Credit Application Form |
| Date of Decision | | November 12, 2025 | |
| Action | | Recommended Approval | |
| Timeline | | Normal | |
| Proposed Effective Date | | To be determined | |
| Priority and Rank Assigned | | To be determined | |
| Nodal Protocol Sections Requiring Revision | | 16.2.1, Criteria for Qualification as a Qualified Scheduling Entity  16.8.1, Criteria for Qualification as a CRR Account Holder  16.11.1, ERCOT Creditworthiness Requirements for Counter-Parties  16.11.6, Payment Breach and Late Payments by Market Participants  23A, Congestion Revenue Right (CRR) Account Holder Application for Registration  23G, QSE Application and Service Filing for Registration Form  23U, Counter-Party Credit Application Form (new) | |
| Related Documents Requiring Revision/Related Revision Requests | | Counter-Party Credit Application Form (Upon approval of this Nodal Protocol Revision Request (NPRR), this will be removed from the Other Binding Documents List.) | |
| Revision Description | | This Nodal Protocol Revision Request (NPRR) incorporates the Other Binding Document “Counter-Party Credit Application Form” into the Protocols to standardize the approval process. | |
| Reason for Revision | | [Strategic Plan](https://www.ercot.com/files/docs/2023/08/25/ERCOT-Strategic-Plan-2024-2028.pdf) Objective 1 – Be an industry leader for grid reliability and resilience  [Strategic Plan](https://www.ercot.com/files/docs/2023/08/25/ERCOT-Strategic-Plan-2024-2028.pdf) Objective 2 - Enhance the ERCOT region’s economic competitiveness with respect to trends in wholesale power rates and retail electricity prices to consumers  [Strategic Plan](https://www.ercot.com/files/docs/2023/08/25/ERCOT-Strategic-Plan-2024-2028.pdf) Objective 3 - Advance ERCOT, Inc. as an independent leading industry expert and an employer of choice by fostering innovation, investing in our people, and emphasizing the importance of our mission  General system and/or process improvement(s)  Regulatory requirements  ERCOT Board/PUCT Directive  *(please select ONLY ONE – if more than one apply, please select the ONE that is most relevant)* | |
| Justification of Reason for Revision and Market Impacts | | This NPRR is published for transparency and to standardize the approval process for all binding language. | |
| PRS Decision | | On 11/12/25, PRS voted unanimously to recommend approval of NPRR1305 as amended by the 11/7/25 ERCOT comments. All Market Segments participated in the vote. | |
| Summary of PRS Discussion | | On 11/12/25, ERCOT Staff presented NPRR1305 and the 11/7/25 ERCOT comments. | |

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| **Opinion** | |
| Credit Review | To be determined |
| Independent Market Monitor Opinion | To be determined |
| ERCOT Opinion | To be determined |
| ERCOT Market Impact Statement | To be determined |

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| Sponsor | |
| Name | Sanchir Dashnyam |
| E-mail Address | [Sanchir.Dashnyam@ercot.com](mailto:Sanchir.Dashnyam@ercot.com) |
| Company | ERCOT |
| Phone Number | 512-248-6537 |
| Cell Number |  |
| Market Segment | Not Applicable |

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| **Market Rules Staff Contact** | |
| **Name** | Brittney Albracht |
| **E-Mail Address** | [Brittney.Albracht@ercot.com](mailto:Brittney.Albracht@ercot.com) |
| **Phone Number** | 512-225-7027 |

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| **Comments Received** | |
| **Comment Author** | **Comment Summary** |
| ERCOT 110725 | Clarified that the types of Market Participants that may need to fill out new 23U are Qualified Scheduling Entities (QSEs) and CRR Account Holders |

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| **Market Rules Notes** |

To improve transparency, existing Other Binding Document language for new Section 23, Form U, is represented as blackline, with only proposed changes marked as redline.

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| Proposed Protocol Language Revision |

16.11.1 ERCOT Creditworthiness Requirements for Counter-Parties

(1) Each Counter-Party shall meet ERCOT’s creditworthiness standards as provided in this Section. A Counter-Party must, at all times, maintain its Financial Security at or above the amount of its Total Potential Exposure (TPE). Each Counter-Party shall maintain any required Financial Security in a form acceptable to ERCOT in its sole discretion. If at any time the Counter-Party does not meet ERCOT’s creditworthiness requirements, then ERCOT may suspend the Counter-Party’s rights under these Protocols until it meets those creditworthiness requirements. ERCOT’s failure to suspend the Counter-Party’s rights on any particular occasion does not prevent ERCOT from suspending those rights on any subsequent occasion, including a CRR Account Holder’s ability to bid on future CRRs or a Qualified Scheduling Entity’s (QSE’s) ability to bid in the Day-Ahead Market (DAM).

(2)

Notwithstanding the provisions in paragraph (1) above, ERCOT may draw on Financial Security if necessary to pay short-pays of Securitization Default Charge Invoices or Securitization Uplift Charge Initial Invoices if the respective escrow deposits are insufficient to cover the short-pays.

16.11.6 Payment Breach and Late Payments by Market Participants

(1) It is the sole responsibility of each Market Participant to ensure that the full amounts due to ERCOT, or its designee, if applicable, by that Market Participant, are paid to ERCOT by the applicable time and date specified in the Protocols. If no time is specified in the Protocols for a particular type of payment, then payment must be made by the close of the Bank Business Day on which payment is due.

(2) If a Market Participant receives separate Invoices for Subordinate QSE or various CRR Account Holder activity, netting by the Market Participant of the amounts due to ERCOT with amounts due to the Market Participant among those Invoices for payment purposes is not permitted. The amounts due to ERCOT on the separate Invoices for each Market Participant must be paid by the applicable time and date specified in the Protocols. If a Market Participant does not pay the full amount due to ERCOT for all such Invoices by the required time, ERCOT shall deduct any and all amounts due and unpaid from any amounts due to the same Market Participant before allocating short payments to other Market Participants.

(3) The failure of a Market Participant to pay when due any payment or Financial Security obligation owed to ERCOT or its designee, if applicable, under any Agreement with ERCOT, is a Late Payment and constitutes an event of Payment Breach. For purposes of designating a Late Payment, ERCOT shall consider multiple Invoices unpaid when due on a single Business Day by a single Market Participant as constituting one Late Payment. Any Payment Breach by a Market Participant under any agreement with ERCOT is a Default under all other agreements between ERCOT and the Market Participant unless cured within one Bank Business Day after ERCOT delivers to the Market Participant written notice of the Payment Breach.

(4) Upon a Payment Breach, ERCOT shall immediately attempt to contact the Market Participant’s Authorized Representative and/or Credit Contact named in Section 23, Form U, Counter-Party Credit Application Form, telephonically to inform the Market Participant of the Payment Breach, and demand payment of the past due amount. ERCOT shall also provide the Market Participant with written notice of the Payment Breach via email. Upon a Payment Breach, ERCOT may impose remedies for Payment Breach, as set forth in Section 16.11.6.1, ERCOT’s Remedies, in addition to any other rights or remedies ERCOT has under any agreement, these Protocols or at common law.

(5) If a Market Participant makes a payment (or a partial payment, if allowed by these Protocols) or satisfies a collateral call to ERCOT after the required due date and time, or if a short-paid Invoice is settled by a draw on available security greater than the amount of Market Participant’s cash collateral held in excess of that required to cover its TPE (“Excess Collateral”), then that payment will be deemed a “Late Payment.”

(6) For purposes of assessing if a payment is a Late Payment, the time of receipt of a payment will be determined as follows:

(a) For cash payments, the timestamp for when funds are credited to ERCOT’s bank account, or;

(b) For non-cash Financial Security,

(i) The timestamp of the email or facsimile, if the required documentation is delivered to ERCOT by email or facsimile, or;

(ii) The timestamp of the delivery receipt, if the required documentation is mailed or physically delivered to ERCOT.

(7) ERCOT may, in its sole discretion, and upon a Market Participant’s showing that the failure to pay when due was not within the control of the Market Participant, deem that a failure to pay when due was neither a Payment Breach nor a Late Payment.

(8) ERCOT shall track the number of Late Payments received from each Market Participant in each rolling 12-month period for purposes of imposing the Late Payment remedies set forth in Section 16.11.6.2, ERCOT’s Remedies for Late Payments by a Market Participant.

16.2.1 Criteria for Qualification as a Qualified Scheduling Entity

(1) To become and remain a Qualified Scheduling Entity (QSE), an Entity must meet the following requirements:

(a) Submit a properly completed QSE application for qualification, including any applicable fee, necessary disclosures, and designation of Authorized Representatives, each of whom is responsible for administrative communications with the QSE and each of whom has enough authority to commit and bind the QSE and the Entities it represents;

(b) Comply with ERCOT’s background check process, as described in Section 16.2.1.1, QSE Background Check Process;

(c) Demonstrate to ERCOT’s reasonable satisfaction that the Entity does not pose an “Unreasonable Financial Risk”, as defined in this Section;

(d) Sign a Standard Form Market Participant Agreement;

(e) Sign any required Agreements relating to use of the ERCOT Wide Area Network (WAN), software, and systems;

(f) Demonstrate to ERCOT’s reasonable satisfaction that the Entity is capable of performing the functions of a QSE;

(g) Demonstrate to ERCOT’s reasonable satisfaction that the Entity is capable of complying with the requirements of all ERCOT Protocols and Operating Guides;

(h) Satisfy ERCOT’s creditworthiness requirements as set forth in this Section, unless exempted from these requirements by Section 16.17, Exemption for Qualified Scheduling Entities Participating Only in Emergency Response Service;

(i) Be generally able to pay its debts as they come due. ERCOT may request evidence of compliance with this qualification only if ERCOT reasonably believes that a QSE is failing to comply with it;

(j) Provide all necessary bank account information and arrange for Fedwire system transfers for two-way confirmation;

(k) Be financially responsible for payment of Settlement charges for those Entities it represents under these Protocols;

(l) Submit an executed ERCOT Private Wide Area Network (WAN) Agreement under Section 23, Form K, Wide Area Network (WAN) Agreement, for WAN Participants;

(m) Comply with the backup plan requirements for WAN Participants, if applicable, in accordance with the Operating Guides;

(n) Demonstrate to ERCOT’s reasonable satisfaction that the Entity can maintain a 24-hour, seven-day-per-week control or operations center with qualified personnel for the purposes of communicating with ERCOT relating to Day-Ahead and Operating Day exchange of market and operational obligations. This requirement applies to QSEs that are WAN Participants. Control or operations center personnel must be responsible for operational communications and must have sufficient authority to commit and bind the QSE and the Entities that it represents;

(o) Demonstrate and maintain a working functional interface with all required ERCOT computer systems;

(p) Allow ERCOT, upon reasonable notice, to conduct a site visit to verify information provided by the QSE;

(q) If a QSE represents a Resource Entity, Emergency Response Service (ERS) Resource, or another QSE and receives or transmits WAN Data, it must maintain connection to a Secure Private Network (SPN) or equivalent network as described in Nodal Operating Guide Section 7.1.2, WAN Participant Responsibilities; And

(r) If a QSE seeks to register as its own Counter-Party, it must complete and submit to ERCOT Section 23, Form U, Counter-Party Credit Application Form.

(2) If a QSE chooses to use Electronic Data Interchange (EDI) transactions to receive Settlement Statements and Invoices, it must participate in and successfully complete testing as described in Section 19.8, Retail Market Testing, before starting operations with ERCOT as a QSE.

(3) A QSE must be able to demonstrate to ERCOT’s reasonable satisfaction that it does not pose an Unreasonable Financial Risk. Unreasonable Financial Risk as used in Section 16, Registration and Qualification of Market Participants, is a risk of financial default posed to ERCOT or its Market Participants by participation of an Entity or its Principals in the ERCOT market. Indicators of Unreasonable Financial Risk may include, but are not limited to: past market manipulation, trading violations, or other finance-related violations based upon a final adjudication in state or federal regulatory or legal proceedings; financial defaults in ERCOT or other energy markets resulting in losses or uplifts; indications of imminent bankruptcy or insolvency, or other past civil judgement or criminal conviction that reflects problematic behavior on the part of the Entity or its Principals.

(4) A QSE or QSE applicant must be able to demonstrate to ERCOT’s reasonable satisfaction that none of its Principals were or are Principals of any Entity with an outstanding payment obligation that remains owing to ERCOT under any Agreement or these Protocols. For purposes of this Section, ERCOT will only consider disqualifying those Principals of the QSE or QSE applicant who were Principals of the other Entity at a time during which the unpaid financial obligation remained owing to ERCOT or during the 120-day period prior to the date on which the unpaid financial obligation first became due and owing to ERCOT.

(5) If any of a QSE’s or QSE applicant’s Principals were or are Principals of a terminated Market Participant with an obligation for Default Uplift Ratio Share allocated under Section 9.19.1, Default Uplift Invoices, the terminated Market Participant must be current on all payment obligations for Default Uplift Invoices in order for the QSE to remain, or QSE applicant to become, a registered QSE. For purposes of this Section, ERCOT will only consider as disqualifying those Principals of the QSE or QSE applicant who were Principals of the other Entity at a time during which the other Entity was not current on its payment obligation for Default Uplift Invoices or 120 days prior to the date the other Entity first failed to pay a Default Uplift Invoice.

(6) A QSE shall promptly notify ERCOT of any change that a reasonable examiner may deem material to the QSE’s ability to continue to meet the requirements set forth in this Section, and any material change in the information provided by the QSE to ERCOT that may adversely affect the reliability or safety of the ERCOT System or the financial security of ERCOT. This includes any changes in the Principals of the QSE. If the QSE fails to so notify ERCOT of such change within two Business Days after becoming aware of the change, then ERCOT may, after providing notice to each Entity represented by the QSE, refuse to allow the QSE to perform as a QSE and take any other action ERCOT deems appropriate, in its sole discretion, to prevent ERCOT or Market Participants from bearing potential or actual risks, financial or otherwise, arising from those changes, and in accordance with these Protocols.

(7) Subject to the following provisions of this paragraph, a QSE may partition itself into any number of subordinate QSEs (“Subordinate QSEs”). If a single Entity requests to partition itself into more than four Subordinate QSEs, ERCOT may implement the request subject to ERCOT’s reasonable determination that the additional requested Subordinate QSEs will not be likely to overburden ERCOT’s staffing or systems. ERCOT shall adopt an implementation plan allowing phased-in registration for these additional Subordinate QSEs in order to mitigate system or staffing impacts. However, ERCOT may not unreasonably delay that registration.

(8) Each Subordinate QSE must be treated as an individual QSE for all purposes including communications and control functions except for liability, financial security, and financial liability requirements under this Section. That liability, financial security, and financial liability is cumulative for all Subordinate QSEs for the single Entity signing the QSE Agreement.

(9) Continued qualification as a QSE is contingent upon compliance with all applicable requirements in these Protocols. ERCOT may suspend a QSE’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.

(10) Each QSE that is a WAN Participant, or its designated QSE agent, shall maintain 24-hour, seven-day-per-week operations and Hotline communications with ERCOT and answer each QSE Hotline call.

16.8.1 Criteria for Qualification as a CRR Account Holder

(1) To become and remain a Congestion Revenue Right (CRR) Account Holder, an Entity must meet the following requirements:

(a) Submit a properly completed CRR Account Holder application (Section 23, Form A, Congestion Revenue Right (CRR) Account Holder Application for Registration) for qualification, including any applicable fee, any necessary disclosures, and designation of Authorized Representatives, each of whom is responsible for administrative communications with the CRR Account Holder and each of whom has enough authority to commit and bind the CRR Account Holder;

(b) Comply with ERCOT’s background check process, as described in Section 16.8.1.1, CRR Account Holder Background Check Process;

(c) Demonstrate to ERCOT’s reasonable satisfaction that the Entity does not pose an “Unreasonable Financial Risk”, as described in this Section;

(d) Sign a CRR Account Holder Agreement;

(e) Sign any required Agreements relating to use of the ERCOT network, software, and systems;

(f) Demonstrate to ERCOT’s reasonable satisfaction that the Entity is capable of performing the functions of a CRR Account Holder;

(g) Demonstrate to ERCOT’s reasonable satisfaction that the Entity is capable of complying with the requirements of all ERCOT Protocols and Operating Guides;

(h) Satisfy ERCOT’s creditworthiness requirements as set forth in this Section;

(i) Be generally able to pay its debts as they come due; ERCOT may request evidence of compliance with this qualification only if ERCOT reasonably believes that a CRR Account Holder is failing to comply with it;

(j) Provide all necessary bank account information and arrange for Fedwire system transfers for two-way confirmation;

(k) Be financially responsible for payment of its Settlement charges under these Protocols;

(l) Not be an unbundled Transmission Service Provider (TSP), Distribution Service Provider (DSP), or an ERCOT employee; And

(m) If a CRR Account Holder seeks to register as its own Counter-Party, it must complete and submit to ERCOT Section 23, Form U, Counter-Party Credit Application Form.

(2) A CRR Account Holder must be able to demonstrate to ERCOT’s reasonable satisfaction that it does not pose an Unreasonable Financial Risk. Unreasonable Financial Risk as used in Section 16, Registration and Qualification of Market Participants, is a risk of financial default posed to ERCOT or its Market Participants by participation of an Entity or its Principals in the ERCOT market. Indicators of Unreasonable Financial Risk may include, but are not limited to: past market manipulation, trading violations, or other finance-related violations based upon a final adjudication in state or federal regulatory or legal proceedings; financial defaults in ERCOT or other energy markets resulting in losses or uplifts; indications of imminent bankruptcy or insolvency, or other past civil judgement or criminal conviction that reflects problematic behavior on the part of the Entity or its Principals.

(3) A CRR Account Holder or CRR Account Holder applicant must be able to demonstrate to ERCOT’s reasonable satisfaction that none of its Principals were or are Principals of any Entity with an outstanding payment obligation that remains owing to ERCOT under any Agreement or these Protocols. For purposes of this Section, ERCOT will only consider disqualifying those Principals of the CRR Account Holder or CRR Account Holder applicant who were Principals of the other Entity at a time during which the unpaid financial obligation remained owing to ERCOT or during the 120-day period prior to the date on which the unpaid financial obligation first became due and owing to ERCOT.

(4) If any of a CRR Account Holder’s or CRR Account Holder applicant’s Principals were or are Principals of a terminated Market Participant with an obligation for Default Uplift Ratio Share allocated under Section 9.19.1, Default Uplift Invoices, the terminated Market Participant must be current on all payment obligations for Default Uplift Invoices in order for the CRR Account Holder to remain, or CRR Account Holder applicant to become, a registered CRR Account Holder. For purposes of this Section, ERCOT will only consider as disqualifying those Principals of the CRR Account Holder or CRR Account Holder applicant who were Principals of the other Entity at a time during which the other Entity was not current on its payment obligation for Default Uplift Invoices or 120 days prior to the date the other Entity first failed to pay a Default Uplift Invoice.

(5) A CRR Account Holder shall promptly notify ERCOT of any material change that a reasonable examiner could deem material to the CRR Account Holder’s ability to continue to meet the requirements set forth in paragraphs (1) to (4) above, and any material change in the information provided by the CRR Account Holder to ERCOT that may adversely affect the financial security of ERCOT. This includes any changes in the Principals of the CRR Account Holder. If the CRR Account Holder fails to so notify ERCOT of the following within two Business Days after becoming aware of the change, then ERCOT may refuse to allow the CRR Account Holder to continue to perform as a CRR Account Holder and take any other action ERCOT deems appropriate, in its sole discretion, to prevent ERCOT or Market Participants from bearing potential or actual risks, financial or otherwise, arising from those changes, and in accordance with these Protocols.

(6) Continued qualification as a CRR Account Holder is contingent upon compliance with all applicable requirements in these Protocols. ERCOT may suspend a CRR Account Holder’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 A: Congestion Revenue Right (CRR) Account Holder Application for Registration**

**TBD**

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

**CONGESTION REVENUE RIGHT (CRR) ACCOUNT HOLDER**

**APPLICATION FOR REGISTRATION**

This application is for approval as a CRR Account Holder 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). In addition to the application, ERCOT must receive an application fee in the amount of $500 via Electronic Funds Transfer (EFT) (wire or Automated Clearing House (ACH)). ERCOT must also receive a background check fee in the amount of $350 per Principal via EFT (wire or ACH) and Applicant’s Principals must each complete a background check. All payments should reference the Applicant’s name and Data Universal Numbering System (DUNS) Number (DUNS #) in the remarks. 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**

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

¹ Defined in Section 2.1, Definitions.

**Check if entity is a Non-Opt In Entity (NOIE).**

**1. Authorized Representative (“AR”)**.Defined inSection 2.1, Definitions.

|  |  |  |  |
| --- | --- | --- | --- |
| **Name:** | |  | |
| **Telephone:** |  | | |
| **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:** | |  | |
| **Telephone:** |  | | |
| **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. 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:** | |  | |
| **Telephone:** |  | | |
| **Email Address:** | | |  |

**5. 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.

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| --- | --- | --- | --- |
| **Name:** | |  | |
| **Telephone:** |  | | |
| **Email Address:** | | |  |

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

|  |  |  |  |
| --- | --- | --- | --- |
| **Name:** | |  | |
| **Telephone:** |  | | |
| **Email Address:** | | |  |

**7. Allocation Eligibility**.Indicate if the Applicant is eligible for the allocation described below:

**Pre-Assigned Congestion Revenue Right (PCRR) Allocations.** ERCOT shall allocate PCRRs to eligible Municipally Owned Utilities (MOUs) and Electric Cooperatives (ECs) pursuant to Section 7.4, Allocation of Pre-Assigned Congestion Revenue Rights.

**8. Proposed commencement date for service:**

**PART II – BANKING INFORMATION FOR FUNDS TRANSFERS**

**1. Banking Information.** Applicant must be able to conduct Electronic Funds Transfers (EFTs) for the settlement of financial transactions with ERCOT.

|  |  |
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| **Bank Name:** |  |
| **Account Name:** |  |
| **Account No.:** |  |
| **ABA Number:** |  |

**2. Accounts Payable Contact (Settlement & Billing).**

|  |  |  |  |
| --- | --- | --- | --- |
| **Name:** | |  | |
| **Telephone:** |  | | |
| **Email Address:** | | |  |

**3. Backup Accounts Payable Contact (Settlement & Billing).** *(Optional)*

|  |  |  |  |
| --- | --- | --- | --- |
| **Name:** | |  | |
| **Telephone:** |  | | |
| **Email Address:** | | |  |

**PART III – ADDiTIONAL REQUIRED Information**

**1. Officers and Principals.** Provide the name of all officers and the name and position of all Principals, as defined by Section 16.1.2, Principal of a Market Participant, along with a current email address for each Principal. An individual background check will be performed on each Principal of the Applicant. In addition, ERCOT will obtain the names of all individuals and/or entities listed with the Texas Secretary of State 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 (Section 22, Attachment A), Amendment to the Standard Form Market Participant Agreement (Section 22, Attachment C), 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. *(Attach on additional pages.)*

**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.)*

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| --- | --- | --- |
| **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.) |
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**3. Disclosures.** Provide the name of any Principal of the Applicant that is now, or was at any point in time, a Principal of any other Entity that is now, or was at any point in time, a registered ERCOT Market Participant, along with the name of the relevant ERCOT Market Participant and the dates during which the Principal of the Applicant was a Principal of the other Entity. *(Attach on additional pages.)*

In addition, provide the following disclosures involving Applicant, its predecessors, Affiliates, or Principals. *(Attach on additional pages.)*:

(a) Any civil or criminal matters involving the applicant, its predecessors, Affiliates, or Principals within the last ten years that resulted in a conviction or finding of fraud, theft, larceny, deceit, deceptive trade practices, or a violation of securities or customer protection laws;

(b) Any complaint, formal investigation, or disciplinary action concerning financial matters initiated by or with the Securities and Exchange Commission (SEC), Commodity Futures Trading Commission (CFTC), Federal Energy Regulatory Commission (FERC), a self-regulatory organization, Independent System Operator or Regional Transmission Organization, or a state public utility commission or securities board directly involving the actions of the applicant, its predecessors, Affiliates, or Principals within the last ten years;

(c) Any default involving the applicant, its predecessors, Affiliates, or Principals, that impacted or revoked the right to operate in any other energy market within the last ten years;

(d) Any bankruptcy by the applicant, its predecessors, Affiliates, or Principals within the last ten years; and

Finally, for each Principal, as defined by Section 16.1.2, ERCOT will work with the third-party that performs ERCOT’s background checks. Each Principal will then be emailed directly by the third-party with directions on securely providing the third-party with information necessary to perform a background check, including Principals’ Social Security numbers, birth dates, and home addresses for the last ten years.

**4. Counter-Party Credit Application**. Complete Section 23, Form U, Counter-Party Credit Application Form, and submit as instructed in conjunction with this application, in accordance with Section 16.8, Registration and Qualification of Congestion Revenue Rights Account Holders.

**5. Annual Certification Form to Meet ERCOT Additional Minimum Participation.** Complete Section 22 Attachment J, Annual Certification Form to Meet ERCOT Additional Minimum Participation Requirements, and submit in conjunction with this application, pursuant to Section 16.16.3, Verification of Risk Management Framework.

**6. Qualified Scheduling Entity (QSE) Acknowledgment.** Provide all information requested in Attachment A below and have the document executed by both parties, ***ONLY*** if the Applicant is a Non-Opt-In Entity (NOIE) and eligible for PCRRs.

**PART IV – 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: |  |

**Attachment A – QSE Acknowledgment**

**Acknowledgment by Designated QSE for**

**Scheduling and Settlement Responsibilities with ERCOT**

**Applicable only if CRRAH is a NOIE and eligible for Pre-Assigned CRRs**

The Applicant below has named the QSE listed below as its designated QSE to represent the Applicant for scheduling and Settlement transactions with ERCOT.

The Applicant’s designated QSE, listed below, hereby acknowledges that it does represent the Applicant and that it shall be responsible for the Applicant’s scheduling and Settlement transactions with ERCOT pursuant to the ERCOT Protocols.

The requested effective date for such representation is:      [[1]](#footnote-1)\*\*

or

Establish partnership at the earliest possible date

Acknowledgment by **QSE**:

|  |  |
| --- | --- |
| Signature of AR for QSE: |  |
| Printed Name of AR: |  |
| Email Address of AR: |  |
| Date: |  |
| Name of Designated QSE: |  |
| DUNS of Designated QSE: |  |

Acknowledgment by **Applicant**:

|  |  |
| --- | --- |
| Signature of AR for MP: |  |
| Printed Name of AR: |  |
| Email Address of AR: |  |
| Date: |  |
| Name of MP: |  |
| DUNS No. of MP: |  |

**ERCOT Nodal Protocols**

**Section 23**

**Form G: QSE Application and Service Filing for Registration Form**

**TBD**

**QUALIFIED SCHEDULING ENTITY (QSE)**

**APPLICATION AND SERVICE FILING FOR REGISTRATION**

This application is for approval as a Qualified Scheduling Entity (QSE) by 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). In addition to the application, ERCOT must receive an application fee in the amount of $500 via Electronic Funds Transfer (EFT) (wire or Automated Clearing House (ACH)) for each QSE or subordinate QSE (Sub-QSE) registered. ERCOT must also receive a background check fee in the amount of $350 per Applicant’s Principal via EFT (wire or ACH). All payments should reference the Applicant’s name and Data Universal Numbering System (DUNS) Number (DUNS #) in the remarks. 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:** |  |

¹Defined in Section 2.1, Definitions.

**Check if Applying as an Emergency Response Service (ERS) Only QSE.**

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

|  |  |  |  |
| --- | --- | --- | --- |
| **Name:** | |  | |
| **Telephone:** |  | | |
| **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 as defined in the ERCOT Protocols in the event the AR is unavailable.

|  |  |  |  |
| --- | --- | --- | --- |
| **Name:** | |  | |
| **Telephone:** |  | | |
| **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. 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:** | |  | |
| **Telephone:** |  | | |
| **Email Address:** | | |  |

**5. 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:** | |  | |
| **Telephone:** |  | | |
| **Email Address:** | | |  |

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

|  |  |  |  |
| --- | --- | --- | --- |
| **Name:** | |  | |
| **Telephone:** |  | | |
| **Email Address:** | | |  |

**7. Control or Operations Center *(if applicable)*.** As defined in item (1)(n) of Section 16.2.1, Criteria for Qualification as a Qualified Scheduling Entity, the control or operations center is responsible for operational communications and shall have sufficient authority to commit and bind the QSE. For QSEs that are Wide Area Network (WAN) Participants, the availability of the control or operations center is 24-hour, seven-day-per-week.

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

**8. Compliance Contact.** This person is responsible for compliance related issues.

|  |  |  |  |
| --- | --- | --- | --- |
| **Name:** | |  | |
| **Telephone:** |  | | |
| **Email Address:** | | |  |

**9. Proposed commencement date for service:**

**PART II – BANKING INFORMATION FOR FUNDS TRANSFERS**

**1. Banking Information.** Applicant must be able to conduct Electronic Funds Transfers (EFTs) for the settlement of financial transactions with ERCOT.

|  |  |
| --- | --- |
| **Bank Name:** |  |
| **Account Name:** |  |
| **Account No.:** |  |
| **ABA Number:** |  |

**2. Accounts Payable Contact (Settlement & Billing).**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Name:** | |  | | |  |  |
| **Telephone:** |  | | |  |  | |
| **Email Address:** | | |  | | | |

**Backup Accounts Payable Contact (Settlement & Billing).** *(Optional)*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Name:** | |  | | |  |  |
| **Telephone:** |  | | |  |  | |
| **Email Address:** | | |  | | | |

**PART III – DECLARATION OF SUBORDINATE QSEs**

If the QSE intends to partition itself into Sub-QSEs, please enter information for each Sub-QSE below. If a Sub-QSE is required to have a 24x7 Control or Operation Center and will have a different Contact than the QSE, please provide that information in the spaces provided below. The Sub-QSE name must have a reference to the Legal Entity Name. For example: Legal Name of Market Participant (SQ1), Legal Name of Market Participant (SQ2), etc.

**Sub-QSE One (SQ1)**

**Name:**       **Proposed commencement date for service:**

**Contact information same?  Yes  No (If no, complete the section below)**

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

**Sub-QSE Two (SQ2)**

**Name:**       **Proposed commencement date for service:**

**Contact information same?  Yes  No (If no, complete the section below)**

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

**Sub-QSE Three (SQ3)**

**Name:**       **Proposed commencement date for service:**

**Contact information same?  Yes  No (If no, complete the section below)**

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

**Sub-QSE Four (SQ4)**

**Name:**       **Proposed commencement date for service:**

**Contact information same?  Yes  No (If no, complete the section below)**

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

**PART IV – ADDiTIONAL REQUIRED Information**

**1. Officers and Principals.** Provide the name of all officers and the name and position of each Principal, as defined by Section 16.1.2, Principal of a Market Participant, along with a current email address for each Principal. An individual background check will be performed on each Principal of the Applicant. In addition, ERCOT will obtain the names of all individuals and/or entities listed with the Texas Secretary of State 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 (Section 22, Attachment A), Amendment to Standard Form Market Participant Agreement (Section 22, Attachment C), 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. *(Attach on additional pages.)*

**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.)*

**3. Disclosures.** Provide the name of any Principal of the Applicant that is now, or was at any point in time, a Principal of any other Entity that is now, or was at any point in time, a registered ERCOT Market Participant, along with the name of the relevant ERCOT Market Participant and the dates during which the Principal of the Applicant was a Principal of the other Entity. *(Attach on additional pages.)*

In addition, provide the following disclosures involving Applicant, its predecessors, Affiliates, or Principals. *(Attach on additional pages.)*:

(a) Any civil or criminal matters involving the applicant, its predecessors, Affiliates, or Principals within the last ten years that resulted in a conviction or finding of fraud, theft, larceny, deceit, deceptive trade practices, or a violation of securities or customer protection laws;

(b) Any complaint, formal investigation, or disciplinary action concerning financial matters initiated by or with the Securities and Exchange Commission (SEC), Commodity Futures Trading Commission (CFTC), Federal Energy Regulatory Commission (FERC), a self-regulatory organization, Independent System Operator or Regional Transmission Organization, or a state public utility commission or securities board directly involving the actions of the applicant, its predecessors, Affiliates, or Principals within the last ten years;

(c) Any default involving the applicant, its predecessors, Affiliates, or Principals, that impacted or revoked the right to operate in any other energy market within the last ten years;

(d) Any bankruptcy by the applicant, its predecessors, Affiliates, or Principals within the last ten years; and

Finally, for each Principal, as defined by Section 16.1.2, ERCOT will work with the third-party that performs ERCOT’s background checks. Each Principal will then be emailed directly by the third-party with directions on securely providing the third-party with information necessary to perform a background check, including Principals’ Social Security numbers, birth dates, and home addresses for the last ten years.

**4. Counter-Party Credit Application.** Complete Section 23, Form U, Counter-Party Credit Application Form, and submit as instructed in conjunction with this application, in accordance with Section 16.2, Registration and Qualification of Qualified Scheduling Entities.

|  |  |  |
| --- | --- | --- |
| **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.) |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

**5. Annual Certification Form to Meet ERCOT Additional Minimum Participation.** Complete Section 22, Attachment J, Annual Certification Form to Meet ERCOT Additional Minimum Participation Requirements, and submit in conjunction with this application, pursuant to Section 16.16.3, Verification of Risk Management Framework.

**PART V – 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 U: Counter-Party Credit Application Form**

**TBD**

**Counter-Party Credit Application**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Legal Entity Name:  *(Entity that signed the Standard Form Agreement and considered the CP per ERCOT Protocols.)* | | | | |  | | | | | |
| DUNS No.: |  | | | Federal EIN: | | |  | | | |
| Street Address: |  | | | | | | | | | |
| City: |  | | State: | |  | | | Zip: |  | |
| Authorized Representative (AR): |  | | Phone: | |  | | | Email  Address: |  | |
| Backup AR: |  | | Phone: | |  | | | Email  Address: |  | |
| Credit Contact: |  | | Phone: | |  | | | Email Address: |  | |
| Backup Credit Contact: |  | | Phone: | |  | | | Email Address: |  | |
| Ultimate Parent (if any): | |  | | | | | | | | |
| Website Address: | |  | | | | | | | | |
| Total Potential Exposure (TPE) components required per Protocol Section 16.11.4.1 | | | | | | | | | | |
| QSE’s estimate of daily average MWHs of Load: | | | | | | | | | |  |
| QSE’s estimate of daily average MWHs of generation: | | | | | | | | | |  |
| QSE’s estimated percentage of the daily average MWHs of Load represented by the Applicant to be purchased in the Real-Time market: | | | | | | | | | |  |
| QSE’s estimated percentage of the daily average MWHs of QSE-to-QSE energy sales to daily average MWHs of generation represented by the Applicant: | | | | | | | | | |  |
| QSE’s estimated number of Electric Service Identifiers (ESI IDs) | | | | | | | | | |  |
| **PLEASE PROVIDE REQUESTED SUPPLEMENTAL DATA & SIGN BELOW.**  Supplemental Credit Data (to be included with application submission):   1. Financial Statements of the applicant or ultimate parent:  * Most recent two (2) years independently audited financial statements or, if most recent two years independently audited annual financial statements are not available; * Up to the most recent two unaudited, or, if annual financial statements are not available; * Quarterly unaudited financial statements for as much of the most recent two years as are available. * Financial statements must be compliant with requirements under Protocol Section 16.11.5.  1. If company is publicly held, most recent Form 10‑Q and 10‑K. 2. If company is privately held, biographies of the partners and principals. 3. Mandatory disclosure of prior bankruptcy declarations by Applicant, predecessor(s) or principals. 4. W-9 form | | | | | | | | | | |
| **Please indicate how Applicant intends to comply with ERCOT’s creditworthiness requirements (see Protocols Section 16.11):**  Letter of Credit  Surety Bond  Cash Deposit | | | | | | | | | | |
| Signature of AR, Backup AR or Officer: | | | | | |  | | | | |
| Printed Name of AR, Backup AR or Officer: | | | | | |  | | | | |
| Date: | | | | | |  | | | | |

1. \*\**Actual effective date will depend on time needed to implement the relationship in ERCOT systems once ERCOT has received all necessary information (a minimum of three Business Days) and may be later than the requested effective date. ERCOT will notify the parties of the actual effective date*. [↑](#footnote-ref-1)