2018 FINANCE & AUDIT COMMITTEE

Rick Bluntzer (Mohsin Hassan)
  Peter Cramton
Nick Fehrenbach (Jennifer Richie)
Kevin Gresham (Amanda Frazier)
  Clifton Karnei (Mark Schwirtz)
Carolyn Shellman (Jackie Sargent)
  Judy Walsh
### Confirm Committee Membership
#### 2018 Committee Membership Charter Compliance

<table>
<thead>
<tr>
<th>Count</th>
<th>Committee Member Name</th>
<th>Board Member Type</th>
<th>Financial Understanding</th>
<th>Financial Expert</th>
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<td>Segment</td>
<td>Unaffiliated</td>
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**Membership requirements established in the Finance and Audit Committee Charter**

The Committee shall be comprised of at least five Board members, at least three of which are from Market Segments and two or more of which must be Unaffiliated Board members.

Each Committee Member must be able to read and understand fundamental financial statements, including the balance sheet, income statement and cash flow statement.

At least one Committee Member shall be designated a “financial expert” as such term may be defined from time to time by the Board consistent with definitions generally accepted by the accounting industry or other regulatory authorities (the “Financial Expert”).

The Chair of the Committee shall be elected through a majority vote of the Committee Members. The Committee Chair shall not be the CEO of the Company and shall have accounting or related financial management expertise.

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**Item 2.1**

**ERCOT Public**

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Has the person completed a program of learning in accounting or auditing?

No

Does the person have experience as a principal financial officer, principal accounting officer, controller, public accountant, or auditor?

No

Does the person have experience in one or more positions that involve performance of similar functions?

Yes

Does the person have experience actively supervising a person(s) performing one or more of these functions?

No

Does the person have experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing, or evaluation of financial statements?

No

Does the person have other relevant experience

In connection with the education or experience, does the person have each of the following attributes:

* An understanding of generally accepted accounting principles and financial statements

AND

* The ability to assess the general application of such principles in connection with accounting for estimates, accruals, and reserves

AND

* Experience preparing, auditing, analyzing, or evaluating financial statements that present a breadth and level of complexity of accounting issues that can reasonably be expected to be raised by the company’s financial statements, or experience actively supervising one or more persons engaged in such activities

AND

* An understanding of internal controls and procedures for financial reporting

AND

* An understanding of finance and audit committee functions.

Yes

The candidate meets the requirements to be identified as the finance and audit committee financial expert.

No

The candidate does not meet the requirements to be designated finance and audit committee financial expert.