



## **Item 8: CEO Update**

*Bill Magness*

President & Chief Executive Officer  
ERCOT

Urgent Board of Directors Meeting

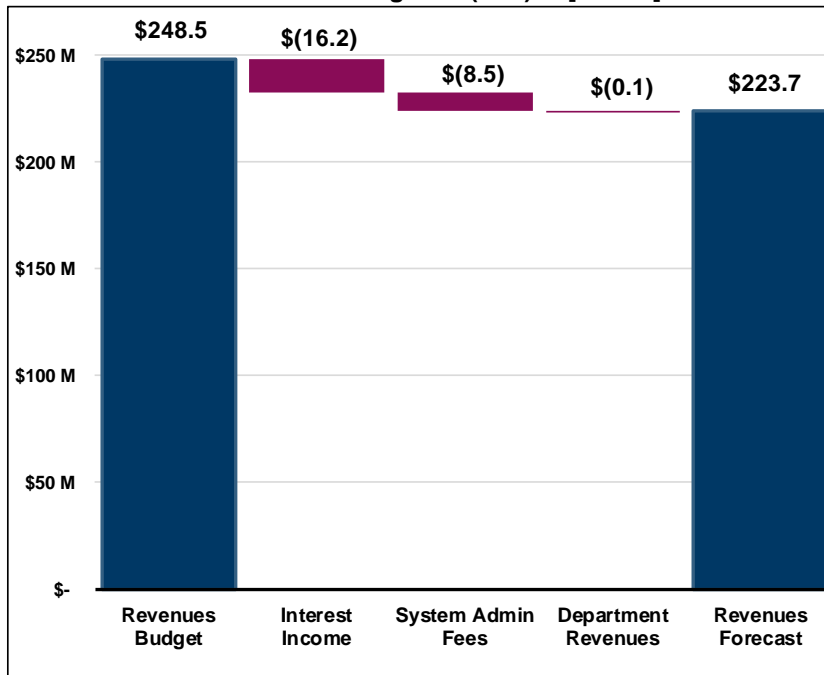
ERCOT Public

June 9, 2020

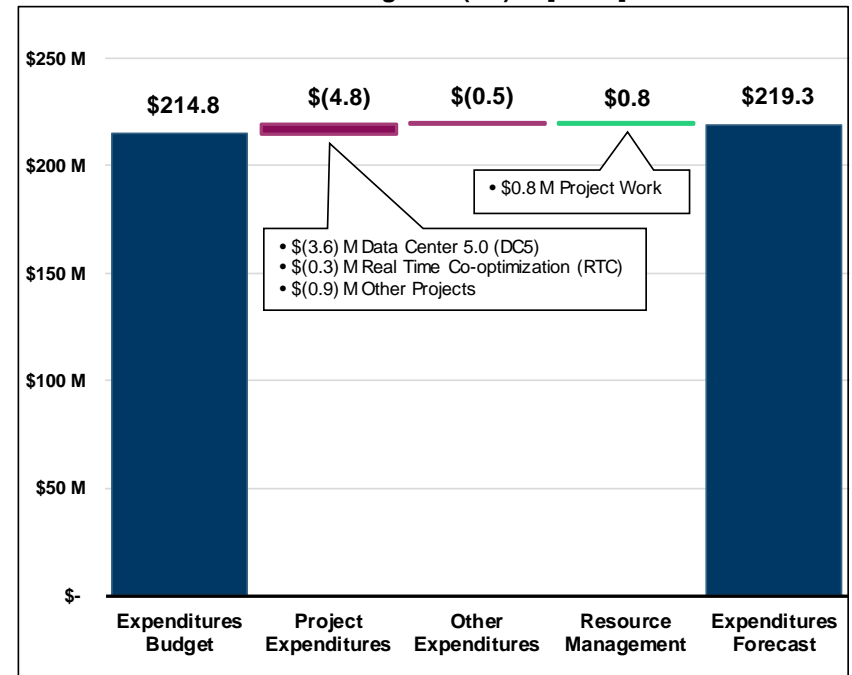
# 2020 Financial Summary Update: 2020 Variance to Budget (\$ in Millions)

**Net Available Year-End Forecast Variance to Budget = \$(29.3) M**

**Revenues Year-End Forecast  
Variance to Budget = \$(24.8) M [-10.0%]**



**Expenditures Year-End Forecast  
Variance to Budget = \$(4.5) M [-2.1%]**



Charts may not foot due to rounding



# Major Projects Update

Project	Target
<b>Improve data and information exchange services to ERCOT stakeholders.</b>	
<b>Resource Integration &amp; Ongoing Operations (RIOO)</b>	<p>Multiple releases planned for RARF spreadsheet retirement. 2020 will deliver the RIOO function that enables Market Participants to electronically review and edit existing Resource Asset registration data. RARF Replacement Targets:</p> <ul style="list-style-type: none"> <li>• Q3 2020 go-live for view/update capabilities.</li> <li>• Q2 2020 establish completion date and budget for create/delete capabilities.</li> </ul>
<b>Enterprise Content Management System (ECMS)</b>	<p>Multiple releases planned to complete the ECMS implementation.</p> <ul style="list-style-type: none"> <li>• MIS Release – Q4 2020. Q2-Q3 focus on user workshops and sandbox testing with the market.</li> <li>• ERCOT.com Release – TBD 2021 (date to be set in Q3 2020).</li> </ul>
<b>Complete defined stages of core system and service improvements.</b>	
<b>Retail Portfolio Refresh</b>	<p>Retail projects are trending to meet planned critical milestones.</p> <ul style="list-style-type: none"> <li>• EDI Map &amp; Translator Replacement and NAESB Application Tech Refresh projects trending towards planned market testing period in Q3 2020 and go-live in Q4.</li> <li>• Retail registration system upgrade project in execution and targeted go-live Q2 2021.</li> </ul>
<b>Market Management System/Outage Scheduler (MMS/OS) Tech Refresh</b>	<p>Project is trending to meet planned Q4 2020 go-live.</p> <ul style="list-style-type: none"> <li>• Q2–Q4 2020 system and integration testing activities.</li> <li>• In system “freeze” period. Non-critical changes to be deferred until after MMS/OS Tech Refresh go-live.</li> <li>• Ongoing coordination with RTC efforts.</li> </ul>
<b>Fast Frequency Response (FFR) &amp; ERCOT Contingency Reserve Service (ECRS) Implementation</b>	<p>Phase 1 FFR Implementation – complete.</p> <p>Phase 2 FFR &amp; ECRS Implementation.</p> <ul style="list-style-type: none"> <li>• Project preparing for the planning phase (requirements &amp; design work).</li> <li>• Target completion in 2022.</li> <li>• Ongoing coordination with RTC efforts.</li> </ul>



# Moving ERCOT Forward in Unusual Times

**March 18**  
Mandatory  
work from  
home began

**April 1**  
Began providing  
weekly COVID-19  
load impact  
analysis updates

**March 27**  
Launched  
new internal  
newsletter  
(E-Wire)



**April 8**  
Set new  
April peak  
demand  
record of  
55,247 MW\*



*\*New records are preliminary, subject to change in final settlement*

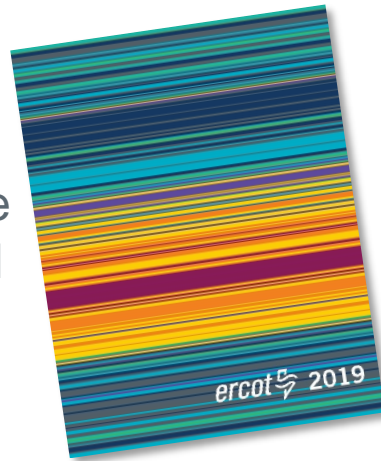
# Maintaining Progress on Long-Term Goals

**April 14**

Urgent Board meeting via teleconference

**April 20**

Released 2019 State of the Grid Report



**April 30**

Real-Time Co-optimization Task Force meeting

**May 1**

Battery Energy Storage Task Force meeting

**May 7**



New VP & CIO Jayapal Parakkuth (JP) begins

# Operations, Planning, Communication Activities Proceed

**May 11**  
Market notice issued for ORDC software error

**May 18**  
Distributed summer communications manual to Market Participants



**May 13**  
Released final summer SARA and updated CDR

**May 19**  
Completed independent review of Corpus Christi North Shore RPG Project

# Creative People and Ideas Keep ERCOT on Track

**May 26**  
On-site operator training began



**May 28**  
Completed R3 software release updates

**May 27**  
TAC approved remote voting changes due to prolonged work from home period

**June 1**  
Implemented next phase of ERCOT's pandemic response

# Making ERCOT Facilities a Safer Place to Work

- Senior Manager of Physical Security **Jason Lassiter** is leading ERCOT's effort to make our facilities safe and healthy for on-site workers while restrictions due to COVID-19 risks are in effect.
- ERCOT is taking several steps to provide a safer on-site work environment, and is meeting the supply chain challenges of obtaining sufficient hand sanitizing stations, cleaning services, and face coverings.
- How we work in ERCOT facilities is guided by advice from an epidemiology and industrial hygiene firm, as well as by government guidelines.
- Jason joined ERCOT in 2019, and brings insights from a career in facilities and security that have been extremely valuable in these unprecedented working conditions.

