

ERCOT
Guidelines for Executive Session

Section 4.6(b) of the ERCOT Bylaws (pending approval) provides:

[...] An Executive Session shall be held at the discretion of the Board or Board subcommittee for sensitive matters including, but not limited to, confidential personnel information, contracts, lawsuits, deliberation over purchase of real property, competitively sensitive information, deployment or implementation of security devices or other information related to the security of ERCOT's regional electrical network and discussion of any matters on which the Board receives legal advice from its attorney(s) in which the Texas Disciplinary Rules of Professional Conduct impose on the attorney(s) a duty to preserve confidentiality, including but not limited to anticipated or pending litigation, administrative agency contested cases, and other regulatory matters.

The following guidelines are intended to implement this Bylaws provision:

1. Any person (*e.g.*, ERCOT staff member or Board member) identifying an agenda item for Executive Session shall provide an explanation of why Executive Session is required for that item. If a memo is prepared to the Board (or Board subcommittee) regarding the item, this explanation shall be captured in the memo.
2. The ERCOT Secretary, or his or her designee, shall review the item and the explanation to verify that Executive Session is warranted for the item.
3. On the published agenda, Executive Session items shall be described generally in a manner which avoids disclosing any confidential information.
4. All confidential Board (or Board subcommittee) materials (including Executive Session materials) shall be provided to Board members by appropriate confidential means as determined by the ERCOT Secretary. Email may be appropriate for some materials, whereas, printed copies delivered via an express delivery service may be more appropriate for the most sensitive matters.
5. During a Board (or Board subcommittee) meeting which begins in open session, the Chair of the Board (or chair of the subcommittee) shall call an Executive Session prior to taking up any confidential items. The Chair shall verify that only ERCOT Board members and appropriate ERCOT staff are present in the Board meeting room prior to taking up any Executive Session items. Upon completion of Executive Session, the Board (or Board subcommittee) may adjourn or invite non-member attendees back into the meeting room so that the Board may take up further non-confidential business as needed. It is recommended that meetings end with Executive Session so that non-members need not wait for discussion of further public business.
6. A general description of an Executive Session shall appear in the associated public minutes provided that the description does not disclose any confidential information. ERCOT shall also record and maintain separate more detailed confidential minutes for each Executive Session.

12/06/05