

ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.
BOARD OF DIRECTORS RESOLUTION

WHEREAS, the Electric Reliability Council of Texas, Inc. (ERCOT) Board of Directors (Board) deems it desirable and in ERCOT's best interest for a source of funding to cover the revised costs ERCOT will incur related to implementing the Texas Nodal Market Implementation Program (Nodal Program), and

WHEREAS, ERCOT must request approval by the Public Utility Commission of Texas (PUCT) for ERCOT to collect a fee in the form of a surcharge assessed in addition to its System Administration Fee (or some other comparable mechanism) to pay for Nodal Program costs ERCOT incurs, and

WHEREAS, the PUCT, in its Docket No. 32686, approved ERCOT's nodal market implementation surcharge (Nodal Surcharge) in 2007, and

WHEREAS, ERCOT now needs to increase the budget for the Nodal Program to a total of \$269.1 million plus the associated financing costs of \$42.2 million resulting in a total of \$311.3 million (excluding Interdependent Projects) to be recovered via the Nodal Surcharge.

THEREFORE, BE IT RESOLVED, the Board hereby approves the revised Nodal Program budget of \$269.1 million plus the associated financing costs of \$42.2 million for a total of \$311.3 million and the revised Interdependent Projects budget of \$39.7 million. The Board finds this is a reasonable forecast of ERCOT's costs of nodal market implementation, and

RESOLVED FURTHER, the Board authorizes ERCOT to make a filing at the PUCT requesting authority in accordance with the June 13, 2007 Order *Nunc Pro Tunc* in Docket No. 32686, to increase the amount to be recovered via the Nodal Surcharge from \$248.9 million to \$311.3 million and to request a change in the Nodal Surcharge rate from \$0.127 per megawatt-hour ("MWh") to \$0.169 per MWh effective no later than June 1, 2008.

CORPORATE SECRETARY'S CERTIFICATE

I, A. Andrew Gallo, ERCOT Assistant Corporate Secretary, do hereby certify that, at is January 15, 2008 meeting, the ERCOT ISO Board of Directors approved the above-referenced Resolution. The Motion passed by voice vote with thirteen in favor and two opposed, with no abstentions.

IN WITNESS WHEREOF, I have hereunto set my hand this 30th day of January, 2008.



 A. Andrew Gallo
 Assistant Corporate Secretary