



Summary of ERCOT Employee Benefits

ERCOT Human Resource &
Governance Committee
July 15, 2008

Lea Anne Porter

Director Compensation & Benefits

Summary of Benefits Available to ERCOT Employees

- **401(k) Plan**
- **Two Health Insurance Options**
- **Dental Insurance**
- **Vision Insurance**
- **Group Term Life Insurance**
- **Accidental Death & Dismemberment Insurance**
- **Short & Long Term Disability**
- **Long Term Care**
- **Flex Plan**
- **Vacation/Holidays/Sick Leave**
- **Tuition Reimbursement**
- **Employee Assistance Program**

Existing Features

- Current Assets \$60.3 M
- 22 Investment choices plus 11 Fidelity Freedom Funds (Target Date Funds)
- Match 75% of first 6% (Vesting 20% per Year)
- Fixed Non-Elective Contribution 10% (Vesting 100% after 3 years)
- Employee Participation Rate approximately 86%
- Employee deferral rate approximately 8.3%

New Features

- Transferred from “A” Shares (Retail Shares) to “I” Shares (Institutional Shares) on 7/1/08
- Auto enroll for new hires
- Employee deferral limit changed from 20% to 99% of salary

Two Health Insurance Options for Employees

Basic Plan - Cigna

- 80/50 Plan
- 216 employees + dependents (as of May 2008)
- Employee only – ERCOT pays 100% of premium
- Employee + Dependents – ERCOT pays around 96% of premium

Buy Up Plan - Cigna

- 90/60 plan
- 426 employees + dependents (as of May 2008)
- Employee only – ERCOT pays 91% of premium
- Employee + Dependents – ERCOT pays around 86% of premium

RFP Issued and Awarded for Plan Year July 2008

- Cigna remains as claims administrator
- Highmark new stop loss carrier

Other Insurance and Benefit Plans Available

- **Dental Insurance (Cigna) – Employee only paid by ERCOT. Implemented small premium for dependent coverage 7/1/08**
- **Vision (VSP) – Premium paid by ERCOT**
- **Group Term Life & AD&D (Cigna) – ERCOT pays for 1x employee's annual salary; additional coverage available, paid by employee**
- **Short & Long Term Disability (Cigna) – Premium paid by ERCOT**
 - 7 Day elimination for Short term, 90 days for Long term
 - Pays 60% of salary

Long Term Care (Unum) – Basic Plan coverage paid by ERCOT

- Basic Plan \$1000 per month benefit
- Additional Coverage available at employee's expense

Flex Plan (Section 125) – Discovery Benefits

- Health and Dependent Care Reimbursement Account

Tuition Reimbursement

- Work-related education expenses reimbursed, with approval of management, up to \$2500 per year

Vacation

- 2 weeks (1-5 years of service)
- 3 weeks (6-10 years of service)
- 4 weeks (11+ years of service)
 - Managers, Directors and Officers slightly higher

Holidays 8 + 2 floating per year

Other types of paid time off

- Sick leave 10 days per year for employees and immediate family
- Military Leave
- Bereavement Leave
- Other mandatory leave and benefits in accordance with Federal & State law

Other Benefits Provided

- Annual Wellness Fair including blood pressure, diabetes and cholesterol screening
- Various Wellness Programs included in Health Plan
- New On-line Health Risk Assessment
 - 168 employees completed so far
- Employee Assistance Program
- On-site retirement investment education quarterly
- Casual dress work environment
- Employee recognition Awards
 - Thanks, Team Player, Exceptional Performer Awards
- Employee Activity and Community Involvement Committees
- Sick Leave Pool

- **401(k) Plan audit – September 2008**
- **New Medical Claims audit – October 2008**
- **Add Roth 401(k) option to plan – early 2009**
- **Designate Qualified Default Investment Alternative (QDIA) for the 401(k) Plan – 3rd Quarter 2008**
- **Issue RFP for an Investment Consultant for the 401(k) Plan – 3rd Quarter 2008**

Questions ?