EXHIBIT A TO ERCOT BOARD DECISION TEMPLATE FOR AGENDA ITEM 7a

Process for Controlling Release of Discretionary Funds

- Where the net impact to the Nodal Program budget is a projected overall increase in spend, the request must be presented to the ERCOT Board for approval of a request for discretionary funds.

- The request will contain:

  - Due diligence on the need for the increased spend. This should include consideration of areas such as:

    - Justification for the budget increase;
    - Whether the change is necessary or whether it can be deferred to a later release;
    - Assessment of different solution options considered; and
    - The criteria used in the solution selection.

  - Explanation as to why this increase in spend has occurred including:

    - Materialization of a known risk and why risk mitigation failed;
    - NPRR change control request; and
    - Whether there have been any issues with project management.

  - Requirements definition for program changes and estimated cost.

  - Assumptions and risks relating to proposed program changes.

  - Work schedule and resource plan relating to the proposed changes.

  - Impact assessment to overall integrated schedule.

  - Lessons learned and any corrective actions to improve budget planning, controls and management.

- Before any discretionary funds are authorized to be spent, the request must be approved by:

  - The CTO;
  - The CEO;
  - The Special Nodal Committee; and
  - The Board of Directors.