



**DRAFT MINUTES OF THE BOARD OF DIRECTORS MEETING
OF ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.**

Electric Reliability Council of Texas, Inc.
7620 Metro Center Drive, Room 206
Austin, Texas 78744
November 17, 2009 at 10:00 a.m.

Pursuant to notice duly given, the meeting of the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) convened on the above-referenced date.

Meeting Attendance:

Board Members:

Director	Affiliation	Segment
Armentrout, Mark		Unaffiliated
Bivens, Danny	Office of Public Utility Counsel	Residential Consumer; Proxy for Don Ballard
Cox, Brad	Tenaska Power Services Co.	Independent Power Marketer
Dalton, Andrew	Valero Energy Corp.	Industrial Consumer
Doggett, Trip	ERCOT	Interim President and Chief Executive Officer
Espinosa, Miguel		Unaffiliated
Fehrenbach, Nick	City of Dallas	Commercial Consumer
Gent, Michehl		Unaffiliated, Board Vice Chairman
Helton, Bob	International Power America Services	Independent Generator
Jenkins, Charles	Oncor Electric Delivery Company	Investor Owned Utility
Karnei, Clifton	Brazos Electric Power Cooperative Inc.	Cooperative
Newton, Jan		Unaffiliated, Board Chairman
Patton, A.D.		Unaffiliated
Smitherman, Barry T.	Public Utility Commission of Texas	Commission Chairman
Thomas, Robert	Green Mountain Energy Company	Independent Retail Electric Provider
Wilkerson, Dan	Bryan Texas Utilities	Municipal

Staff and Guests:

Barrow, Les	CPS Energy
Baughman, Martin	Consultant
Bell, Wendell	TPPA



Blakey, Eric	TXU Energy
Bowman, Roy	ERCOT
Brandt, Adrienne	Austin Energy
Brenton, Jim	ERCOT
Brewster, Chris	City of Eastland
Bruce, Mark	MJB Consulting
Capezzuti, Nancy	ERCOT
Carroll, Marianne	Brown McCarroll LLP
Cleary, Mike	ERCOT
Clemenhagen, Barbara	Topaz Power
Crowder, Calvin	AEP Service Corp.
Crozier, Richard	Brownsville
Day, Betty	ERCOT
Diffen, Becky	Duke Energy
Fox, Kip	AEP
Grable, Mike	ERCOT
Gresham, Kevin	E.ON Climate & Renewables
Grimes, Mike	Horizon Wind Energy
Hassinr, Paul	AEP/ETT
Headrick, Bridget	PUCT
Hobbs, Kristi	ERCOT
Hutson, Michael	RES Americas
Jones, Liz	Oncor
Kimbrough, Todd	NextEra Energy
King, Kelso	King Energy Consulting
Kolodziej, Eddie	Customized Energy Solutions
Liebmann, Diana	Horizon Wind Energy
Manning, Charles	ERCOT
Markariarin, Dave	NextEra Energy
McClellan, Suzi	Good Company Associates
McRae, Russ	Areva
Morgan, Richard	ERCOT
Morris, Sandy	LCRA
Ogelman, Kenan	CPS Energy
Oldham, Phillip	TIEC
Reid, Walter	Wind Coalition
Roark, Dottie	ERCOT
Ryall, Jean	Constellation Energy
Saathoff, Kent	ERCOT
Sandidge, Clint	Sempra Energy Solutions
Sims, Robert	AES
Soutter, Mark	Invenergy
Stephenson, Randa	Luminant
Tanner, Matt	NextEra Energy
Walker, Mark	NRG Texas



Whittington, Pam	PUCT
Wullenjohn, Bill	ERCOT
Wybiurala, Pete	NextEra Energy

Call Open Session to Order and Announce Proxies (Agenda Item 1)

Jan Newton, Board Chairman, called the meeting to order at approximately 10:06 a.m., pointed out the Antitrust Admonition and determined a quorum was present.

Consent Agenda (Agenda Item 2)

The following items were handled in the consent agenda:

- Agenda Item 3a – Approval of October 19, 2009 Joint Nominating Committee and Board of Directors Meeting Minutes;
- Agenda Item 3b – Approval of October 20, 2009 Board of Directors Meeting Minutes; and
- Agenda Item 12a – Protocol Revision Request (PRR) 836.

Miguel Espinosa moved to approve the items on the Consent Agenda. Clifton Karnei seconded the motion. The motion passed by unanimous voice vote with one abstention (Bob Thomas) as to Agenda Item 3a and no abstentions as to Agenda Items 3b and 12a.

Barry T. Smitherman, Public Utility Commission of Texas (Commission) Chairman, noted that there was no quorum for the Commissioners at this meeting since Commissioners Kenneth Anderson and Donna Nelson were attending the National Association of Regulatory Utility Commissioners Annual Convention in Chicago.

Approval of Minutes – Minutes of October 19, 2009 Joint Nominating Committee and Board of Directors Meeting and Minutes of October 20, 2009 Board of Directors Meeting (Agenda Items 3, 3a and 3b)

The minutes of the October 19, 2009 Joint Nominating Committee and Board of Directors Meeting and the October 20, 2009 Board of Directors Meeting were both approved as part of the Consent Agenda under Agenda Item 2.

Chief Executive Officer (CEO) Report (Agenda Item 4)

Trip Doggett, ERCOT Interim President and CEO, reviewed the CEO Update presentation with the Board and answered Board members’ questions regarding wind generation and capacity. Chairman Smitherman requested that Mark Bruce contact his client that built a private line from the west zone to the south zone and ask his client to provide a formal update to the Board on this matter. Mr. Bruce agreed to do so. Mark Armentrout and Mr. Doggett recognized the efforts of ERCOT’s Information Technology (IT) team who worked diligently on the priority databases.

Chairman Newton thanked Don Ballard for his service on the ERCOT Board.



Financial Summary Report (Agenda Item 5)

Chairman Newton invited comments or questions regarding the Financial Summary Report. Roy Bowman, ERCOT Interim Chief Financial Officer, responded to Chairman Newton's questions regarding interest rates and revenue funded project expenditures.

Market Operations Report (Agenda Item 6)

Chairman Newton invited comments or questions regarding the Market Operations Report. Betty Day, ERCOT Director of Markets, and Mr. Doggett responded to A.D. Patton's questions regarding contingency funds and the calendar related to advanced metering.

IT Service Availability Metrics Report (Agenda Item 7)

Chairman Newton invited comments or questions regarding the IT Service Availability Metrics Report. Bob Thomas congratulated ERCOT's IT team for meeting 100% performance goals in all three retail categories, which he noted was the first time this had been done during his two years on the Board. Richard Morgan, ERCOT Vice President and Chief Information Officer, responded to questions by Board members regarding frequency control outages, related backup strategy, and real-time balancing market availability. Mr. Morgan and Mike Cleary, ERCOT Senior Vice President and Chief Technology Officer, answered Board members' questions regarding final iTest-rebuild timing. Dan Wilkerson supported Mr. Thomas' praise of the IT team.

Grid Operations and Planning Report (Agenda Item 8)

Chairman Newton invited comments or questions regarding the Grid Operations and Planning Report. Kent Saathoff, ERCOT Vice President of Systems Planning and Grid Operations, responded to questions by Board members regarding relay maintenance and testing and the AWS Truewind forecast for October 28, 2009.

Voltage Ride-Through (VRT) Study Update (Agenda Item 8a)

Dan Woodfin, ERCOT Director of System Planning, provided the Board with a VRT Study Update presentation. Dr. Patton expressed his disappointment that some of the Wind-powered Generation Resources (WGRs) had not been responsive in providing data, noted that timely submission of needed information was required for completion of the study, and requested that all needed information be submitted without delay. Mr. Woodfin responded to questions from the Board members regarding modeling for the study.

Resource Adequacy and Market Signals: ERCOT Activities (Agenda Item 8b)

Mr. Woodfin provided the Board with a presentation regarding Resource Adequacy and Market Signals: ERCOT Activities. He responded to questions from the Board members regarding Market Participant assessments, the Capacity, Demand and Reserves (CDR) report, transmission limitations, generator outages and transmission planning. Dr. Patton noted that to the extent that



there is no transparency in costs (such as costs not being attached to resources, but rather allocated or uplifted in some fashion that defeats the transparency process), then proper price signals would not be received. Michehl Gent commented that there may be significant delays in receiving funds from the U.S. Department of Energy. Bob Helton provided comments regarding the challenges related to differences in information related to pricing and noted his appreciation for the efforts being made by ERCOT in this regard.

2010 Ancillary Services Methodology Recommendation (Agenda Item 8c)

John Dumas, ERCOT Director of Operations Support, presented the 2010 Ancillary Services Methodology Recommendation (Recommendation) to the Board. Mr. Dumas responded to the Board members' extensive questions regarding proposed changes in the methodology. At Chairman Newton's request, Mark Bruce, Chair of the Technical Advisory Committee (TAC), reviewed the TAC's vote on this matter. Chairman Smitherman invited Dan Jones of Potomac Economics to speak to the Board regarding the principal force behind the Recommendation. Mr. Jones reviewed various primary purposes for the Recommendation and responded to the Board member's extensive questions.

Andrew Dalton moved to remand this Recommendation to TAC with an instruction to provide more information to the Board at the December 2009 Board meeting. There was no second for this motion.

Mr. Helton moved to approve the Recommendation as presented. Dr. Patton seconded the motion. Mr. Dumas responded to Nick Fehrenbach's questions regarding the expected effect of the Recommendation on the deployment of non-spin reserves on pricing and the correlation to PRR 776. **Mr. Armentrout offered a friendly amendment that this Recommendation be closely analyzed for its impacts on all affected and that a report be provided to the Board on such analysis within three months of the Recommendation's effective date. Clifton Karnei seconded the friendly amendment. Chairman Newton noted that the friendly amendment was accepted.** Mr. Wilkerson noted his support for the Recommendation. Mr. Bruce provided additional history on TAC's vote on this matter for clarification. **Chairman Newton called for a vote. The motion passed by voice vote with one opposed (Mr. Fehrenbach) and one abstention (Mr. Gent).** Mr. Dalton commented that he would be interested in the results of the analysis, particularly with regard to cost implications due to his concerns of the potential unknown impacts to the ERCOT Market and customers in this difficult economic time.

Corpus Christi Area Improvements Project Recommendation (Agenda Item 8d)

Prior to the presentation on the Corpus Christi Area Improvements Project Recommendation (Project), Mr. Dalton disclosed that his employer, Valero, is one of the Industrial Consumers mentioned in the Project report and has a refinery in the Corpus Christi ship channel. He added that he had spoken with Mike Grable, ERCOT Vice President and General Counsel, about this matter. Mr. Dalton announced that he would recuse himself from the vote on the Project since Valero is one of the customers that would be directly and potentially financially affected by the ERCOT Board's decision.



Mr. Woodfin presented the Project to the Board. Mr. Bruce clarified that while the TAC had taken no formal action on the Project, there was no stated opposition by any parties at the TAC to the Project. Mr. Woodfin answered the Board members' questions regarding potential uplift and costs of the Project.

Mr. Karnei moved for endorsement of the Project as presented. Mr. Gent seconded the motion. The motion passed by unanimous voice vote with one abstention (Mr. Dalton who had recused himself earlier).

Special Nodal Program (SNP) Committee Report (Agenda Item 9)

Mr. Helton, SNP Committee Chairman, reported that the SNP Committee met on November 16, 2009, and considered in part the following matters:

- Nodal Program update;
- Protocol traceability update; and
- Market readiness update.

Nodal Update (Agenda Item 10)

Mike Cleary, ERCOT Senior Vice President and Chief Technology Officer, provided the Board with an update on the Nodal Program. Mr. Helton noted that the real-time Energy Management System (EMS) and Security Constrained Economic Dispatch (SCED) presentation, which was made to the Board on the prior day, was a very good demonstration.

Chairman Newton noted that she was pleased to hear that the end-to-end testing and market trials were complete, that the financial situation has been nearly stabilized and that the Nodal Program is coming in under budget and is still on schedule. She thanked Mr. Helton, the SNP Committee, Mr. Cleary and the ERCOT Nodal team for their assistance in making this progress.

Lunch (Agenda Item 11)

For scheduling convenience, Chairman Newton adjourned the meeting for lunch at approximately 12:30 p.m. and reconvened it at approximately 1:18 p.m.

Technical Advisory Committee (TAC) Report (Agenda Item 12)

Chairman Newton invited Mark Bruce, TAC Chair, to provide a report on recent TAC activities.

Protocol Revision Requests (PRRs) and Appeal of PRR830 (Agenda Items 12a and 12b)

PRR836

**PRR836 – Revised Minimum Ramp Rate for Balancing Energy Service Down to Comport with PRR803 [Luminant] – URGENT.
Proposed Effective Date: December 1, 2009.**



CEO Determination: No opinion on whether or not PRR836 is necessary prior to the Texas Nodal Market Implementation Date.

ERCOT Impact Analysis: No budgetary impact; no additional full-time equivalents needed; no system changes; no impact to business processes or functionality; no impact to grid operations or practices.

Revision Description: This PRR changes the divisor for the minimum ramp rate required for a Balancing Energy Service Down bid from forty (40) to fifty six (56) to reflect the change resulting from the implementation of PRR803, Revised Implementation Approach for PRR601, as it relates to the number of minutes of Balancing Energy Service ramping over a one-hour time period.

Procedural History: PRR836 was posted on October 14, 2009. On October 16, 2009 PRS voted to grant Urgent status to PRR836 via a PRS email vote. On October 22, 2009 PRS unanimously voted to recommend approval of PRR836 as submitted. On November 05, 2009 TAC unanimously voted to recommend approval of PRR836 as recommended by PRS in the October 22, 2009 PRS Recommendation Report.

PRR836 was approved as part of the Consent Agenda (Agenda Item 2).

PRR830

PRR830 – Reactive Power Capability Requirement [ERCOT] – URGENT.

Proposed Effective Date: December 1, 2009.

Chief Executive Officer (CEO) Determination: No opinion on whether or not PRR830 is necessary prior to the Texas Nodal Market Implementation Date.

ERCOT Impact Analysis: No budgetary impact; no additional full-time equivalents needed; minor changes to ERCOT databases to incorporate additional Substation Control and Data Acquisition (SCADA) points, which will be managed under the operational and management (O&M) budgets of affected departments; existing business processes can accommodate this PRR; no impact to grid operations or practices.

Revision Description: This PRR clarifies the Reactive Power capability requirement for all Generation Resources, including existing Wind-powered Generation Resources (WGRs) who are not able to meet the 0.95 lead/lag requirement with the Generation Resource's Unit Reactive Limit (URL).

Procedural History: PRR830 was posted on September 8, 2009. On September 10, 2009 the Protocol Revision Subcommittee (PRS) voted to grant Urgent status to PRR830 via a PRS email vote. On September 17, 2009 PRS unanimously voted to table PRR830 for one (1) month. On October 22, 2009 PRS voted to recommend approval of PRR830 as endorsed in the October 19, 2009 Reliability and Operations Subcommittee (ROS) comments via roll call vote. On November 5, 2009 TAC voted to recommend approval of PRR830 as recommended by PRS in the October 22, 2009 PRS Recommendation Report and as revised by the October 29, 2009 ERCOT comments via roll call vote.

Chairman Smitherman excused himself from the Board meeting room for the discussion of PRR830 and the related appeal. Chairman Newton requested that all comments be heard, beginning with TAC, prior to the Board's vote on PRR830 and the related appeal and asked Mr. Bruce to outline the process. She asked for any objections to this proposed process. There were



none.

Mr. Bruce provided a brief presentation on PRR830's background and disclosed that he had recused himself as TAC Chair from selecting the advocate of the TAC position. He added that he was the opposing vote to PRR830 and that his client, NextEra Energy Resources, filed the appeal of PRR830. He continued that Shannon McClendon, TAC Vice-Chair, abstained from the vote on PRR830 and selected John Houston of CenterPoint Energy Houston Electric, who made the motion to recommend approval of PRR830 at TAC, as the TAC Advocate.

Mr. Houston presented the TAC comments on PRR830.

Chairman Newton requested that the companies which had provided appellate materials to be heard in alphabetical order and that any other entities which desired to make comments, but had not submitted materials for the Board, could be heard immediately thereafter. Due to time constraints, Chairman Newton asked that the presenters limit their comments to avoid unnecessary repetition, but she encouraged presenters to note their endorsement of others' positions if they so chose.

Robert L. Sims for AES Corporation, Kip Fox for American Electric Power Service Corporation, Mr. Saathoff of ERCOT, Brian Hayes for Horizon Wind Energy, LLC, Dave Markarian for NextEra Energy Resources, Ken Donohoo for Oncor Electric Delivery Corporation, and Walter Reid for the Wind Coalition provided comments and answered the Board members' questions regarding PRR830 and the related appeal to the Board.

Randy Jones for Calpine Corporation and Becky Diffen for Duke Energy also provided comments and answered the Board members' questions regarding PRR830 and the related appeal to the Board.

Chairman Newton called for a quick recess that lasted from 3:20 p.m. to 3:27 p.m.

Chairman Newton requested that Mr. Grable provide additional background information for the Board's benefit related to PRR830. Mr. Grable provided a brief procedural history of an interpretation request of existing Protocols from a party interested in building generation.

Chairman Newton noted the TAC recommendation for approval of PRR830 and asked for any further Board discussion on PRR830. The Board members and ERCOT staff continued discussion of PRR830. Mr. Grable clarified that, during this discussion of PRR830 and the related appeal, he was acting as an ERCOT officer and a proponent of the approval of PRR830, and not speaking in his role as counsel to the Board.

Mr. Fehrenbach moved to approve PRR830 and to reject the appeal of PRR830. Mr. Doggett seconded the motion. Mr. Doggett made a friendly amendment to instruct TAC to revisit the WGR issue, which Mr. Fehrenbach accepted. Mr. Dalton noted an opportunity for ERCOT staff to work in review of the discussed compliance issues from the standpoint of total system reliability, regardless of the outcome of PRR830, into the ongoing wind studies. **Brad Cox requested flexibility to deal with the existing system as a friendly amendment. Mr.**



Fehrenbach did not accept the friendly amendment due to the uncertainty of the friendly amendment. Dr. Patton moved to call the question, but there was no second. The discussion continued. Mr. Grable asked for clarification that Mr. Doggett's friendly amendment was to clarify that the PRR830 would be approved as presented, but also to give TAC a separate instruction to revisit the WGR issue, which Mr. Doggett confirmed affirmatively. Chairman Newton called for a vote on the motion to approve PRR830, to reject the appeal of PRR830, and to instruct TAC separately to revisit the WGR issue. The motion passed by voice vote with two opposed (Mr. Dalton and Mr. Helton) and no abstentions.

Load Profiling Guide Revision Request (LPGRR) 035 (Agenda Item 12c)

LPGRR035 – Addition of TOUS to Profiles with IDR Meter Data Type Codes for Advanced Meters – URGENT [TXU Energy].

Proposed Effective Date: One hundred fifty (150) days upon the issuance of a Market Notice, which ERCOT plans to issue upon ERCOT Board approval of this LPGRR.

Chief Executive Officer (CEO) Determination: No opinion on whether or not LPGRR035 is necessary prior to the Texas Nodal Market Implementation Date.

ERCOT Impact Analysis: Minor cost impact to be managed under the Operations and Management (O&M) budgets of the affected departments; no project required; can be accommodated by existing ERCOT Staff; update to Lodestar; no impacts to ERCOT business functions; no impacts to grid operations and practices.

Revision Description: This LPGRR revises Appendix D, Profile Decision Tree, to include Profile IDs that allow TOUS for Advanced Metering System (AMS) meters. When 15-minute interval settlement begins for AMS meters, the meter data type codes for Electric Service Identifiers (ESI) IDs with AMS meters will be converted to IDRs. This request enables ESI IDs with AMS meters to have IDR meter data type codes and Oncor's TOUS (TOU01, TOU02, and TOU13). It also allows AMS meters with Oncor TOUS to remain Non-Interval Data Recorder (Non-IDR) until such time as the proposed Profile IDs are implemented by ERCOT.

Procedural History: LPGRR035 was posted on September 14, 2009. On September 16, 2009 LPGRR035 was granted Urgent status via a Commercial Operations Subcommittee (COPS) email vote. On October 13, 2009 COPS unanimously voted to recommend approval of LPGRR035 as amended by the October 1, 2009 ERCOT comments. On November 6, 2009 TAC voted to recommend approval of LPGRR035 as recommended by the October 13, 2009 COPS Recommendation Report. There was one (1) abstention from the Independent Generator Market Segment.

Chairman Smitherman rejoined the Board meeting.

Mr. Bruce presented LPGRR035 to the Board for its consideration.

Mr. Karnei moved to approve LPGRR035 as presented. Mr. Dalton seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Mr. Bruce continued to present the TAC Report as noted in the Board materials.



Review of the Quarterly Renewables Report to Public Utility Commission of Texas (Agenda Item 12d)

Mr. Bruce presented a review of the Quarterly Renewables Report to the Commission. He noted that this Report covers four calendar months, not three, so that future Reports will coincide with full calendar quarters.

Mr. Bruce reviewed future TAC agenda items and concluded the TAC Report.

Semiannual Enterprise Risk Management (ERM), Compliance and Internal Control Update and Potential Future Exposure (PFE) Q2 2010 Presentation (Agenda Items 13c and 13d)

In the interest of time, Mr. Karnei proposed that the Semiannual ERM, Compliance and Internal Control Update and the PFE Q2 2010 Presentation be deferred until the December 2009 or January 2010 Board meeting. Chairman Newton agreed with this proposal.

Finance & Audit (F&A) Committee Report (Agenda Item 13)

Mr. Karnei, F&A Committee Chairman, reported that the F&A Committee met earlier in the morning and considered in part the following matters:

- Routine reports reviewed by the F&A Committee;
- ERCOT's financing needs in 2010, which will be presented to the Board in January or February 2010; and
- SAS70 Audit, about which he noted that this is the third year in a row that ERCOT received an unqualified report and thanked ERCOT staff and PricewaterhouseCoopers for their work.

He noted that the F&A Committee was presenting action items for the Board at this meeting – approval of the F&A Committee Charter and of the Financial and Investment Corporate Standards.

Approval of Financial and Investment Corporate Standards (Agenda Item 13b)

Mr. Karnei noted that the F&A Committee had requested further modifications to the Financial and Investment Corporate Standards, which were distributed to the Board members earlier in the Board meeting.

Mr. Karnei moved to approve the Financial Corporate Standard with modifications as recommended by the F&A Committee. Miguel Espinosa seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Mr. Karnei moved to approve the Investment Corporate Standard with modifications as recommended by the F&A Committee. Mr. Gent seconded the motion. The motion passed by unanimous voice vote with no abstentions.



Approval of F&A Committee Charter and Structure (Agenda Item 13a)

Mr. Karnei noted that the F&A Committee had requested further modifications to the F&A Committee Charter.

Mr. Karnei moved to approve the F&A Committee Charter with modifications as recommended by the F&A Committee. Mr. Espinosa seconded the motion. The motion passes unanimously with no abstentions.

Human Resources & Governance (HR&G) Committee (Agenda Item 14)

Mr. Armentrout, HR&G Committee Chairman, reported that the HR&G Committee met earlier in the morning and considered in part the following matters:

- External Relations Update;
- Market Participant Survey Update; and
- Technical Track and Career Ladder Update.

Approval of Recommendation of Proposed Amendments to Bylaws to Corporate Members (Agenda Item 14b)

Mr. Armentrout further reported that the HR&G Committee discussed the proposed amendments to the Bylaws. He advised that the HR&G Committee made further modifications to the Bylaws, some of which were minor administrative changes. Mr. Armentrout and Mr. Grable reviewed the more substantive modifications made by the HR&G Committee earlier in the morning.

Mr. Armentrout moved to recommend the proposed amendments to the Bylaws as recommended by the HR&G Committee to ERCOT's Corporate Members for vote on the proposed amendments as soon as the 2009 Annual Meeting of ERCOT Corporate Members. Dr. Patton seconded the motion. The motion passed by unanimous voice vote with one abstention (Mr. Fehrenbach).

Membership Affiliates Update (Agenda Item 14a)

Mr. Grable noted the requirement for disclosure of affiliates on the ERCOT Corporate Membership forms and requested that Market Participants exercise diligence, particularly regarding affiliates, when preparing and executing these forms.

Ratification of CEO Search Subcommittee (Agenda Item 14c)

Chairman Newton advised that the ratification of a CEO search subcommittee would be deferred until December 2009.

Nominating Committee Report (Agenda Item 15)



Chairman Newton reported that a Nominating Committee meeting had been held on November 16, 2009, and that a search firm presented various preliminary candidates for the Nominating Committee's consideration.

Other Business (Agenda Item 16)

No other business was presented or considered.

Future Agenda Items (Agenda Item 17)

Chairman Newton invited discussion on future agenda items. The following item was discussed:

- Follow-up report on 2010 Ancillary Services Methodology in February or March 2010.

Executive Session (Agenda Items 18 to 22)

Chairman Newton adjourned the meeting to Executive Session at approximately 4:32 p.m. Chairman Newton reconvened the meeting to General Session at approximately 6:03 p.m.

Vote on Matters from Executive Session (Agenda Item 23)

Chairman Newton called for a vote on matters from Executive Session.

Mr. Helton moved to approve the Executive Session Contract Matter resolution in the Board materials noted as Agenda Item 21a. Mr. Gent seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Mr. Armentrout moved to approve the Executive Session Contract Matter resolution in the Board materials noted as Agenda Item 21b. Mr. Espinosa seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Adjournment (Agenda Item 24)

Chairman Newton adjourned the meeting at approximately 6:05 p.m.

Board materials and presentations from the meeting are available on ERCOT's website at <http://www.ercot.com/committees/board/>.

Michael G. Grable
Corporate Secretary