



**Date:** December 5, 2011  
**To:** Board of Directors  
**From:** Bill Magness, ERCOT Vice President, General Counsel and Corporate Secretary  
**Subject:** Adjunct Membership Approval of Panda Power Funds

**Issue for the ERCOT Board of Directors**

**ERCOT Board of Directors Meeting Date:** December 12-13, 2011

**Agenda Item No.:** 11b

**Issue:**

Whether Panda Power Generation Infrastructure Fund LLC, doing business as Panda Power Funds (Panda Power), should be approved as an Adjunct Member for Membership Year 2012.

**Background/History:**

Since Panda Power currently does not meet the definition of any Segment as set forth in the Bylaws and Membership Application and Agreement for Membership Year 2012, Panda Power has applied as an Adjunct Member. Please see Attachment A, the redacted Application (omitting financial information and individual contact information). Adjunct Membership requires approval by the Board of Directors.

**Key Factors Influencing Issue:**

- Adjunct Membership requires approval by the Board of Directors.
- Whether it is in the best interest of ERCOT for Panda Powers' application to be approved.

**Alternatives:**

- Approve Adjunct Membership for Panda Power; or
- Deny Adjunct Membership for Panda Power. If Adjunct Membership is denied, Panda Power will not be a member of ERCOT.

**Conclusion/Recommendation:**

Approve Panda Power as an Adjunct Member of ERCOT for Membership Year 2012.



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

WHEREAS, Panda Power Generation Infrastructure Fund LLC, doing business as Panda Power Funds (Panda Power), does not meet the Segment requirements for Membership in Electric Reliability Council of Texas, Inc. (ERCOT) for Membership Year 2012;

WHEREAS, after due consideration of the alternatives, the ERCOT Board of Directors (Board) deems it desirable and in the best interest of ERCOT to approve Panda Power as an Adjunct Member of ERCOT for Membership Year 2012; and

THEREFORE, BE IT RESOLVED, that ERCOT is hereby authorized and approved to grant Adjunct membership status to Panda Power for Membership Year 2012.

**CORPORATE SECRETARY'S CERTIFICATE**

I, Vickie G. Leady, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its December 12-13, 2011 meeting, the ERCOT Board passed a motion approving the above Resolution by \_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of December, 2011.

\_\_\_\_\_  
Vickie G. Leady  
Assistant Corporate Secretary