



Item 5.1: User Fee Policy

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Finance & Audit Committee Meeting

ERCOT Public

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New User Fee Policy Recommendations

- **Material** ~ The new user fee should produce revenue in excess of \$1 million or materially improve ERCOT operations.
- **Incremental** ~ The new user fee revenue should be incremental to revenue recovered through the System Administration Fee.
- **Limited Beneficiaries** ~ The new user fee should be for a service that benefits a relatively few discrete market segments or market participants rather than providing general benefit to most market segments or market participants.
- **Required by Protocols** ~ The Board approved the user fee as part of a Protocols revision.
- **Existing Fee Allowance** ~ Existing ERCOT fees are not required to comply with the policy and can be periodically adjusted for cost inflation and other similar factors.