



ERCOT Legal Proposed Budget Provision Amendment

Amend ERCOT Bylaws, Article 10 (Expenses Books and Records), Subsection 10.3(a).

- (a) A budget (the “Budget”) for ERCOT for the ensuing **one or more** fiscal years shall be adopted by the Board. **In connection with the Board’s approval,** ~~The~~ Budget, including cost of liability insurance, for ERCOT **for each fiscal year** shall be compiled by the CEO and submitted to the Board. To be effective, the Budget must be approved by an act of the Board as set forth in Section 4.7. The representatives of each Member shall be promptly notified of the Budget following adoption of the Budget by the Board.

The amendment is proposed by ERCOT Legal, who provides the following explanation for the proposal:

Subsection 39.151(d-1) of the Public Utility Regulatory Act has been modified as part of the 2013 Sunset Bill to provide the Public Utility Commission with the right to review ERCOT’s proposed budgets either annually or biennially. This Bylaws amendment proposal is intended to give the Board flexibility in the timing of its approval of the budget.

ERCOT Staff Analysis

- *Financial/Full-Time Equivalent Impact*
 - None expected
- *Changes to Existing ERCOT Processes*
 - None that would be required outside of Public Utility Commission-initiated changes