

ERCOT  
Finance and Audit Committee  
2013 Annual Meeting Planner and Future Agenda Items

| Task Description   | Charter<br>Page # |                              |   |   |   |   |   |   |   |   |   |   |   |
|--|-------------------|------------------------------|---|---|---|---|---|---|---|---|---|---|---|
|  |                   | J                            | F | M | A | M | J | J | A | S | O | N | D |
| 1 Elect Committee officers                                     | 2                 | A                            |   |   |   |   |   |   |   |   |   |   |   |
| 2 Designate a Committee secretary                              | 7                 | A                            |   |   |   |   |   |   |   |   |   |   |   |
| 3 Review and assess adequacy of Committee charter              | 6                 | A                            |   | A |   |   |   |   |   |   |   |   |   |
| 4 Review and recommend investment corporate standard           | 3                 | A                            |   |   |   |   |   |   |   |   |   |   |   |
| 5 Review and recommend financial corporate standard            | 3                 | A                            |   | A |   |   |   |   |   |   |   |   |   |
| 6 Handling of complaints regarding financial matters           | 6                 | A                            |   |   |   |   |   |   |   |   |   |   |   |
| 7 Policy on hiring former employees of the independent auditor | 5                 | A                            |   |   |   |   |   |   |   |   |   |   |   |
| 8 Policy on independent auditor selection                      | 4 & 5             | A                            |   |   |   |   |   |   |   |   |   |   |   |
| 9 Review and recommend market credit risk corporate standard   | 4                 | A                            |   |   |   |   |   |   |   |   |   |   |   |
| 10 Review and recommend ERCOT creditworthiness standards       | 4                 |                              |   | A |   |   |   |   |   |   |   |   |   |
| 11 Receive periodic report on Credit Work Group activity       | 2 & 4             | A                            |   | A |   | A |   | A |   |   |   |   |   |
| 12 Approve Credit Work Group Charter                           | 2                 |                              |   | A |   |   |   |   |   |   |   |   |   |
| 13 Appoint Credit Work Group Chair and Vice Chair              | 2                 |                              |   | A |   |   |   |   |   |   |   |   |   |
| 14 Receive CEO report on adequacy of internal controls         | 3                 |                              |   | A |   |   |   |   |   |   |   |   |   |
| 15 Review risk policies and risk management practices          | 6                 | A                            |   | A |   | A |   | A |   |   |   |   |   |
| 16 Undertake annual self-evaluation                            | 8                 |                              |   |   |   |   |   |   |   |   |   |   |   |
| 17 Periodic meeting with senior management                     | 6                 | A                            |   | A |   | A |   | A |   |   |   |   |   |
| 18 Review and approve internal audit charter                   | 6                 | A                            |   |   |   | A |   |   |   |   |   |   |   |
| 19 Periodic meeting with Chief Audit Executive                 | 6 & 7             | A                            |   | A |   | A |   | A |   |   |   |   |   |
| 20 Review internal audit reports                               | 6                 | A                            |   | A |   | A |   | A |   |   |   |   |   |
| 21 Review Ethics Point issues                                  | na                | A                            |   | A |   | A |   | A |   |   |   |   |   |
| 22 Review effectiveness of internal audit functions            | 7                 |                              |   |   |   |   |   |   |   |   |   |   |   |
| 23 Review and approve annual internal audit plan               | 6                 |                              |   |   |   |   |   |   |   |   |   |   |   |
| 24 Review performance of the Chief Audit Executive             | 7                 | A                            |   |   |   |   |   |   |   |   |   |   |   |
| 25 Recommend selection of independent financial auditor        | 4                 |                              |   |   |   | A |   |   |   |   |   |   |   |
| 26 Receive annual independence report from internal audit      | na                |                              |   |   |   | A |   |   |   |   |   |   |   |
| 27 Recommend selection of independent SSAE 16 auditor          | 4                 |                              |   |   |   |   |   |   |   |   |   |   |   |
| 28 Recommend selection of independent 401(k) auditor           | 4                 |                              |   | A |   | A |   |   |   |   |   |   |   |
| 29 Receive independence report from independent auditors       | 4                 |                              |   |   |   | A |   |   |   |   |   |   |   |
| 30 Periodic meeting with independent auditor                   | 4 - 6             |                              |   |   |   | A |   |   |   |   |   |   |   |
| 31 Discuss audited financial statements                        | 5                 |                              |   |   |   | A |   |   |   |   |   |   |   |
| 32 Review and accept financial statement audit report          | 5                 |                              |   |   |   | A |   |   |   |   |   |   |   |
| 33 Review and recommend proposed budget                        | 3                 |                              |   | A |   | A |   | A |   |   |   |   |   |
| 34 Review and recommend debt structure                         | 3                 |                              |   | A |   |   |   | A |   |   |   |   |   |
| 35 Review IRS Form 990   | na                |                              |   | A |   |   |   | A |   |   |   |   |   |
| 36 Review and accept 401(k) audit report                       | 5                 |                              |   |   |   |   |   |   |   |   |   |   |   |
| 37 Review and accept SSAE 16 audit report                      | 5                 |                              |   |   |   |   |   |   |   |   |   |   |   |
| 38 Review Committee briefs                                     | na                | A                            |   | A |   | A |   | A |   |   |   |   |   |
| 39 Committee education on accounting developments              | 5                 | A                            |   | A |   | A |   | A |   |   |   |   |   |
| 40 Review financial institutions - market participants         | 6                 |                              |   | A |   |   |   | A |   |   |   |   |   |
| 41 Preapprove non-audit services                               | 4                 |                              |   | A |   |   |   |   |   |   |   |   |   |
| 42 Receive periodic report on strategic IT issues              | na                |                              |   | A |   |   |   | A |   |   |   |   |   |
| 43 Review any report by independent auditor                    | 4 - 6             | Performed on as-needed basis |   |   |   |   |   |   |   |   |   |   |   |
| 44 Review effect of regulatory accounting initiatives          | 5                 | Performed on as-needed basis |   |   |   |   |   |   |   |   |   |   |   |
| 45 Review complaints regarding financial statements            | 5 & 6             | Performed on as-needed basis |   |   |   |   |   |   |   |   |   |   |   |
| 46 Review press stories regarding financial statements         | 5                 | Performed on as-needed basis |   |   |   |   |   |   |   |   |   |   |   |
| 47 Periodic meeting with 401(k) auditor                        | 4 & 5             | Performed on as-needed basis |   |   |   |   |   |   |   |   |   |   |   |
| 48 Periodic meeting with SSAE 16 auditor                       | 4 & 5             | Performed on as-needed basis |   |   |   |   |   |   |   |   |   |   |   |