



**DRAFT GENERAL SESSION 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  
August 11, 2015 at 9:00 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:**

<b>Director</b>	<b>Affiliation</b>	<b>Segment</b>
Baer, Tonya	Office of Public Utility Counsel	Consumer – Residential
Bermudez, Jorge	Unaffiliated	Unaffiliated Director
Crowell, Craven (Chairman)	Unaffiliated	Unaffiliated Director
Doggett, H.B. “Trip”	ERCOT	President and Chief Executive Officer (CEO)
Durland, Jack	Valero Services, Inc.	Consumer – Industrial
Emery, Keith	Tenaska Power Services Co.	Independent Power Marketer
Gresham, Kevin	E.ON North America LLC	Independent Generator
Karnei, Clifton	Brazos Electric Power Cooperative, Inc.	Cooperative ( <i>Proxy for Nick Fehrenbach</i> )
Nelson, Donna	Public Utility Commission of Texas (PUCT)	Chairman ( <i>Not Present for Agenda Items 5 – 12</i> )
Pfaffmann, Karl	Unaffiliated	Unaffiliated Director
Shellman, Carolyn	CPS Energy	Municipal
Smith, Wade	American Electric Power Service Corporation	Investor-Owned Utility Segment Alternate
Walsh, Judy (Vice Chair)	Unaffiliated	Unaffiliated Director
Werner, John	Source Power & Gas LLC	Independent Retail Electric Provider Segment Alternate



Segment Alternates, Officers and Guests:

Ashley, Kristy	Exelon Corporation (Independent Generator Segment Alternate)
Brandt, Adrienne	Austin Energy, Technical Advisory Committee (TAC) Vice Chair
Coleman, Chris	ERCOT Senior Meteorologist
Cramton, Peter	ERCOT Guest (ERCOT Unaffiliated Director Candidate)
Dreyer, Jerry	ERCOT Senior Vice President and Chief Information Officer
Dultra, Marina	ERCOT Summer 2015 Intern
Gage, Theresa	ERCOT Vice President of External Affairs & Corporate Communications
Garza, Beth	Potomac Economics, ERCOT Independent Market Monitor (IMM), Director
Hanley, Bryan	ERCOT Director of Infrastructure
Hoskins, Michelle	ERCOT Senior Recruiter
Jones, Brad	ERCOT Senior Vice President and Chief Operating Officer
Kezar, Mike	South Texas Electric Cooperative, Inc. (Cooperative Segment Alternate)
Leady, Vickie	ERCOT Assistant General Counsel and Assistant Corporate Secretary
Levine, Jonathan	ERCOT Corporate Counsel
Magness, Bill	ERCOT General Counsel, Senior Vice President – Governance, Risk and Compliance & Corporate Secretary
Maples, Garrett	ERCOT Summer 2015 Intern
Marquez, Brandy Marty	PUCT Commissioner
Montgomery, Donna	ERCOT Senior Recruiting Coordinator
Patton, David	Potomac Economics, ERCOT IMM, President
Petterson, Michael	ERCOT Vice President and Chief Financial Officer
Porter, Jean Ryall	CCNG Power LLC (Independent Power Marketer Segment Alternate)
Strot, Karen	ERCOT Training Program Coordinator
Surendran, Resmi	ERCOT Senior Manager of Market Analysis
Tamby, Jeyant	ERCOT Chief of Staff
Taylor, Courtnie	ERCOT Summer 2015 Intern
Williams, James	ERCOT Summer 2015 Intern
Williams, Phil	Denton Municipal Electric (Municipal Segment Alternate)
Woodfin, Dan	ERCOT Director of System Operations

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

Craven Crowell, Board Chairman, determined that a quorum was present and called the Board General Session meeting to order at approximately 9:00 a.m. Chairman Crowell noted the Antitrust and Security Admonitions. He announced that Commercial Consumer Subsegment Director Nick Fehrenbach provided his proxy to Cooperative Segment Director Clifton Karnei; John Werner, Independent Retail Electric Provider Segment Alternate, was attending in Read Comstock's absence; and Wade Smith, Investor-Owned Utility Segment Alternate, was attending in Mark Carpenter's absence.

Donna Nelson, Chairman of the PUCT, called an Open Meeting of the PUCT to order to consider matters that had been duly posted with the Texas Secretary of State for August 11, 2015.

Chairman Crowell addressed the following Agenda Items in the order below.



**Consent Agenda; Unopposed Nodal Protocol Revision Requests (NPRRs) and Planning Guide Revision Requests (PGRRs) Recommended by Technical Advisory Committee (TAC) for Approval; Other Binding Document, Methodology for Implementing ORDC to Calculate Real-Time Reserve Price Adder (Agenda Items 2, 2.1, 2.1.1 – 2.1.13 and 2.2)**

Chairman Crowell entertained a motion for the approval of the Consent Agenda as follows:

- NPRR684, Annual RUC Impact Report Requirements;
- NPRR692, Removal of MIS Posting Requirement of DAM Credit Parameters;
- NPRR693, Incorporation of “Threshold Values for Competitive Constraint Test” into the Protocols;
- NPRR694, Non-Spin Schedule Requirements;
- NPRR695, Posting and Notice Requirements for Notifications of Suspension of Operations and Notifications of Change of Generation Resource Designation;
- NPRR699, Energy Offer Curve Caps for Make-Whole Calculations for Resource Type Other;
- NPRR700, Utilizing Actual Fuel Costs in Startup Offer Caps;
- NPRR701, As-Built Clarification of NPRR589, Ancillary Service Offers in the Supplemental Ancillary Services Market;
- NPRR703, Clarification of Disclosure Requirements for GINR Study Information;
- NPRR706, Restore the ability to use Physical Responsive Reserve Capability as an Indicator of Available Frequency-Responsive Capacity;
- NPRR710, Removal of ORDC Phase 2 Language and Modification to HASL Calculation;
- PGRR043, FIS Scoping Amendment;
- PGRR044, MIS Classification of GINR Study Information; and
- Other Binding Document, Methodology for Implementing ORDC to Calculate Real-Time Reserve Price Adder.

**Jorge Bermudez moved to approve the Consent Agenda as presented. Jack Durland seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

**June 9, 2015 General Session Meeting Minutes (Agenda Item 3)**

Chairman Crowell entertained a motion to approve the June 9, 2015 General Session Meeting Minutes (Minutes).

**Kevin Gresham moved to approve the Minutes as presented. John Werner seconded the motion. The motion passed by unanimous voice vote with three abstentions (Tonya Baer, Clifton Karnei and Wade Smith).**

**Chief Executive Officer (CEO) Presentation; CEO Update; Financial Summary; Operations Reports (Agenda Items 4, 4.1, 4.2 and 4.3)**

Trip Doggett presented the CEO Update. Mr. Doggett provided an overview of the intern program. He recognized the 2015 summer interns and highlighted the diversity of the colleges and departments represented. He invited summer interns Garrett Maples, Courtnie Taylor, Marina Dultra and James Williams to speak about their intern experiences at ERCOT. Mr. Doggett also recognized Human Resources staff members Karen Strot, Michelle Hoskins and Donna Montgomery for their effort in facilitating and promoting the intern program. He praised department managers for their instruction,



guidance and oversight with respect to their interns' projects. Chairman Crowell complimented ERCOT staff for the work on the intern program.

Mr. Doggett highlighted ERCOT's engagement in the Institute of Electrical and Electronics Engineers (IEEE) and in particular at the 2015 IEEE Power & Energy Society General Meeting, which took place in July 2015. He noted ERCOT's significant involvement and leadership at the meeting, and recognized Warren Lasher, Pengwei Du and Sarma Nuthalapati for their participation on panels.

During the presentation of the CEO Update, Chairman Crowell recognized Peter Cramton, Unaffiliated Director candidate, and thanked him for attending. He noted that ERCOT was awaiting a decision on the confirmation by the PUCT of Mr. Cramton's approval.

Mr. Doggett recognized Bryan Hanley, ERCOT Director of Infrastructure, for cost savings and efficiencies achieved in the information technology (IT) area, most recently in connection with the Critical Infrastructure Protection (CIP) project.

There were no questions or comments from Board members with regard to this portion of the CEO Update.

Mr. Doggett presented the Financial Summary and Operations Reports. There were no questions or comments from Board members.

Mr. Doggett continued his presentation of the CEO Update by inviting Dan Woodfin, Resmi Surendran and Chris Coleman to present a mid-summer update. Mr. Woodfin, Ms. Surendran and Mr. Coleman presented the mid-summer update and responded to questions and comments from Board members.

#### **Independent Market Monitor (IMM) Report (Agenda Item 5)**

Beth Garza announced that the 2014 State of the Market Report was published and distributed to the Board and is available at [www.potomaceconomics.com](http://www.potomaceconomics.com). She informed Board members that on June 1, 2015, there was a change to the ERCOT Methodologies for Determining Ancillary Service Requirements and provided information on how the change impacts the data contained in the IMM Report.

Ms. Garza introduced Dr. David Patton, President of Potomac Economics. Dr. Patton presented the IMM Report, and he and Mr. Doggett responded to questions and comments from Board members.

#### **TAC Report (Agenda Item 6)**

Adrianne Brandt presented the TAC Report and responded to questions and comments from Board members.

#### **Break**

Chairman Crowell recessed the General Session for break at approximately 10:44 a.m. and reconvened the General Session at approximately 11:01 a.m.



**Price Corrections for Operating Reserve Demand Curve Real-Time On-Line and Off-Line Reserve Price Adders, Real-Time Settlement Point Prices and Other Prices for Certain Intervals Related to Operating Days June 4, 2015, June 6 through June 19, 2015 and June 23, 2015 (Agenda Item 7)**

Brad Jones presented the Price Corrections for Operating Reserve Demand Curve Real-Time On-Line and Off-Line Reserve Price Adders, Real-Time Settlement Point Prices and Other Prices for Certain Intervals Related to Operating Days June 4, 2015, June 6 through June 19, 2015 and June 23, 2015 and responded to questions and comments from Board members.

**Mr. Durland moved to approve the Price Corrections for Operating Reserve Demand Curve Real-Time On-Line and Off-Line Reserve Price Adders, Real-Time Settlement Point Prices and Other Prices for Certain Intervals Related to Operating Days June 4, 2015, June 6 through June 19, 2015 and June 23, 2015, as presented. Carolyn Shellman seconded the motion. After brief discussion, the motion passed by unanimous voice vote with no abstentions.**

**Finance and Audit (F&A) Committee Report (Agenda Item 8)**

Jorge Bermudez, F&A Committee Chairman, reported that the F&A Committee met the prior day and highlighted items discussed at the F&A meeting.

**Acceptance of 2014 ERCOT 401(k) Savings Plan Audit Report (Agenda Item 8.1)**

**Mr. Bermudez moved to accept the 2014 ERCOT 401(k) Savings Plan Audit Report as recommended by the F&A Committee. Mr. Gresham seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

**Human Resources & Governance (HR&G) Committee Report (Agenda Item 9)**

Karl Pfirrmann, HR&G Committee Chairman, reported that the HR&G Committee met the prior day and highlighted items discussed at the HR&G Committee meeting.

**Ratification of Chief Compliance Officer (Agenda Item 9.1)**

**Mr. Pfirrmann moved to ratify existing officer, Betty Day, as Chief Compliance Officer with the new title of Vice-President of Governance, Risk and Compliance and Chief Compliance Officer, effective as of June 2, 2015, as recommended by the HR&G Committee. Tonya Baer seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

**2016 Board Meeting Schedule and Annual Meeting Schedule (Agenda Item 10)**

Chairman Crowell entertained discussion on the proposed 2016 Board Meeting Schedule and Annual Meeting Schedule. There were no questions or comments from Board members.

**Mr. Pfirrmann moved to approve the 2016 Board Meeting Schedule and Annual Meeting Schedule as presented. Ms. Baer seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

**Other Business (Agenda Item 11)**

No other business was discussed at this time.



### **Executive Session**

Chairman Crowell recessed General Session at approximately 11:13 a.m. and convened Executive Session at approximately 11:25 a.m. Chairman Crowell reconvened General Session at approximately 1:05 p.m.

### **Vote on Matters from Executive Session (Agenda Item 12)**

Chairman Crowell entertained a motion for the personnel matter discussed during Executive Session.

**Mr. Pfirrmann moved to approve the personnel matter as discussed during the Personnel agenda item during Executive Session. Mr. Karnei seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

### **Adjournment (Agenda Item 13)**

Chairman Crowell adjourned the meeting at approximately 1:06 p.m.

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

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Vickie G. Leady  
Assistant Corporate Secretary