

ERCOT
 Finance and Audit Committee
 2015 Annual Meeting Planner and Future Agenda Items

Task Description	Charter Page #	Strategic Pillar *				Committee Meeting Date						
		1	2	3	4	2-09	4-13	6-08	8-10	10-12	12-07	
Annual Committee Organization and Administration	1 Elect Committee Chair and Vice Chair	2					FA					
	2 Designate a Committee secretary	7					FA					
	3 Review and assess adequacy of Committee charter	6					FA					
	4 Review and approve internal audit charter	6					FA					
	5 Approve Credit Work Group charter	3					FA					
	6 Appoint Credit Work Group Chair and Vice Chair	na					FA		FA			
	7 Review and recommend investment corporate standard	4					FA					
	8 Review and recommend financial corporate standard	4					FA					
	9 Handling of complaints regarding financial matters	1 & 6					FA					
	10 Policy on hiring former employees of the independent auditor	5					FA					
	11 Policy on independent auditor selection	4					FA					
	12 Review and recommend market credit risk corporate standard	4					FA					
	13 Review and recommend ERCOT creditworthiness standards	4					Performed when revisions are proposed					
	14 Approve annual education plan	na					FA					
	15 Preapprove non-audit services from independent auditor	5					FA					
	16 Undertake annual self-evaluation	8									FA	FA
Finance & Risk	17 Review financial performance	5	X	X	X	X	FA	FA	FA	FA	FA	FA
	18 Review risk management policies and practices	3	X	X	X	X	FA	FA	FA	FA	FA	FA
	19 Review Credit Work Group activity	2 & 4	X	X	X	X	FA	FA	FA	FA	FA	FA
	20 Receive CEO report on adequacy of internal controls	3	X	X	X	X	FA					
	21 Review financial institutions that are also market participants	6	X	X	X	X	FA			FA		
	22 Receive periodic report on strategic IT issues	3	X	X	X	X	BOD					
	23 Review IRS Form 990	na	X	X	X	X				FA		
	24 Review and recommend proposed budget	3 & 4	X	X	X	X		FA	FA			
	25 Committee educational topics	na	X	X	X	X	FA			FA	FA	
	26 Review Internal Audit activity	6 & 7	X	X	X	X	FA	FA	FA	FA	FA	FA
	Internal Audit	27 Review Ethics Point activity	1 & 6	X	X	X	X	FA	FA	FA	FA	FA
28 Review effectiveness of internal audit functions		7	X	X	X	X	FA	FA	FA	FA	FA	FA
29 Review performance of the Chief Audit Executive		6	X	X	X	X	FA					
30 Review and approve annual internal audit plan		6	X	X	X	X					FA	FA
31 Receive independence report from financial auditors		5	X	X	X	X		FA				
32 Select financial auditor		4	X	X	X	X		FA	FA			
33 Review and accept financial statement audit report		5 & 6	X	X	X	X		FA				
34 Receive independence report from 401(k) Savings Plan auditors		5	X	X	X	X					FA	
35 Select 401(k) Savings Plan auditor		4	X	X	X	X					FA	
36 Review and accept 401(k) audit report		6	X	X	X	X				FA		
External Audit	37 Receive independence report from SSAE 16 auditors	5	X	X	X	X						FA
	38 Select SSAE 16 auditor	4	X	X	X	X		FA				FA
	39 Review and accept SSAE 16 audit report	6	X	X	X	X						FA

"FA" designates items addressed in meetings of the Finance and Audit Committee
 "BOD" designates items addressed in meetings of the Board of Directors.

2014 Strategic Pillars

- Operational Reliability** - Anticipate and communicate potential reliability issues through improved enterprise wide planning processes, probability scenario analyses and grid impact evaluations.
- Flexible Market Design** – Work to anticipate changes in market dynamics and systems and respond effectively to changes in market rules and processes that are directed toward maintaining a highly reliable grid and open access to ERCOT markets.
- Data Transparency & Access** - Continue to evolve ERCOT’s role as a data and information gateway for electricity markets in Texas recognizing its unique role and the value created for consumers and stakeholders of relevant, quality and timely market and technical intelligence.
- Committee Strategic Alignment** - Further evolve the stakeholder committee process to improve strategic alignment of processes and outcomes including the use of strategic alignment and efficiency goals and measures.