



**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
October 13, 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:

Director	Affiliation	Segment
Anderson, Kenneth	Public Utility Commission of Texas (PUCT)	Commissioner (<i>Alternate Representative for PUCT Chairman Donna Nelson</i>) (<i>Not Present for Agenda Items 1 – 2</i>)
Barker, Laurie	Office of Public Utility Counsel	Consumer – Residential (<i>Alternate Representative for Public Counsel Tonya Baer</i>)
Bermudez, Jorge	Unaffiliated	Unaffiliated Director
Carpenter, Mark	Oncor Electric Delivery Company	Investor-Owned Utility
Comstock, Read	Direct Energy	Independent Retail Electric Provider (<i>Not Present for Agenda Item 1</i>)
Cramton, Peter	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
Fehrenbach, Nick	City of Dallas	Consumer – Commercial
Gresham, Kevin	E.ON North America, LLC	Independent Generator
Karnei, Clifton	Brazos Electric Power Cooperative, Inc.	Cooperative



Pfirschmann, Karl	Unaffiliated	Unaffiliated Director
Shellman, Carolyn	CPS Energy	Municipal (<i>Not Present for Agenda Items 1 – 4.3</i>)
Walsh, Judy (Vice Chair)	Unaffiliated	Unaffiliated Director

Segment Alternates, Officers and Guests:

Ashley, Kristy	Exelon Corporation (Independent Generator Segment Alternate)
Billo, Jeff	ERCOT Senior Manager, Transmission Planning
Brandt, Adrienne	Austin Energy, Technical Advisory Committee (TAC) Vice Chair
Day, Betty	ERCOT Vice President of Governance, Risk and Compliance and Chief Compliance Officer
Dreyer, Jerry	ERCOT Senior Vice President and Chief Information Officer
Gage, Theresa	ERCOT Vice President of External Affairs and Corporate Communications
Garza, Beth	Potomac Economics, ERCOT Independent Market Monitor (IMM), Director
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
Mereness, Matt	ERCOT Director of Standards and Protocols Compliance
Mickey, Joel	ERCOT Director of Market Design and Development
Pettersen, Michael	ERCOT Vice President and Chief Financial Officer
Porter, Jean Ryall	CCNG Power LLC (Independent Power Marketer Segment Alternate)
Rickerson, Woody	ERCOT Vice President of Grid Planning and Operations
Smith, Wade	American Electric Power Service Corporation (Investor-Owned Utility Segment Alternate)
Stephenson, Randa	Lower Colorado River Authority, TAC Chair
Tamby, Jeyant	ERCOT Interim Chief Operating Officer
Williams, Diane	ERCOT Vice President of Human Resources
Williams, Phil	Denton Municipal Electric (Municipal Segment Alternate)

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 Laurie Barker from the Office of Public Utility Counsel was attending in Public Counsel Tonya Baer’s absence. Chairman Crowell welcomed new Unaffiliated Director Peter Cramton.

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



Consent Agenda; Unopposed Nodal Protocol Revision Requests (NPRRs) and Resource Registration Glossary Revision Request (RRGRR) Recommended by Technical Advisory Committee (TAC) for Approval (Agenda Items 2, 2.1 and 2.1.2 - 2.1.9)

Chairman Crowell announced that Agenda Item 2.1.1 – NPRR663, Ancillary Service Insufficiency Actions – would be removed from the Consent Agenda and discussed as part of the TAC Report, Agenda Item 9, in conjunction with related NPRR689, Settlement of Ancillary Service Assignment in Real-Time Operations. He entertained a motion for the approval of the remaining items on the Consent Agenda as follows:

- NPRR704, Revisions to the Size of Aggregate Generation Resources;
- NPRR717, Clarification of EPS Metering Exception for ERS Generation;
- NPRR718, Correct Requirement for Posting AML Data;
- NPRR721, Removal of Language Related to NPRR455, CRR Shift Factors Report;
- NPRR722, Removal of Language Related to NPRR181, FIP Definition Revision;
- NPRR723, Removal of grey-boxes from NPRR256, Adding Non-Compliance Language to QSE Performance Standards;
- NPRR724, Removal of Language Related to NPRR493, Half-Hour RUC Clawback; and
- RRGRR006, Clarification of Descriptions and Alignment with Resource Asset Registration Forms.

Mark Carpenter moved to approve the Consent Agenda as presented with the exception of Agenda Item 2.1.1. Karl Pfirrmann seconded the motion. The motion passed by unanimous voice vote with no abstentions.

August 11, 2015 General Session Meeting Minutes (Agenda Item 3)

Chairman Crowell entertained a motion to approve the August 11, 2015 General Session Meeting Minutes (Minutes).

Jorge Bermudez moved to approve the Minutes as presented. Mr. Cramton seconded the motion. The motion passed by unanimous voice vote with two abstentions (Mr. Carpenter and Nick Fehrenbach).

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

Trip Doggett and Woody Rickerson presented the CEO Update and responded to questions and comments from Board members. Mr. Doggett highlighted the successful result of the 2015 North American Electric Reliability Corporation (NERC) audit. Mr. Doggett recognized Betty Day, Matt Mereness and ERCOT Compliance and System Operations staff for their efforts in contributing to the audit results.

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

Multi-Interval Real-Time Market (MIRTM) Overview (Agenda Item 5)

Joel Mickey presented the MIRTM Overview. Mr. Mickey, Mr. Doggett and Bill Magness responded to questions and comments from Board members.



Independent Market Monitor (IMM) Report (Agenda Item 6)

Beth Garza presented the IMM Report and responded to questions and comments from Board members.

Ancillary Services Responsive Reserve Update (Agenda Item 7)

Mr. Rickerson presented the Ancillary Services Responsive Reserve Update and responded to questions and comments from Board members.

American Electric Power Service Corporation (AEPSC) Live Oak Regional Planning Group (RPG) Project (Agenda Item 8)

Jeff Billo presented the AEPSC Live Oak RPG Project, which ERCOT staff has independently reviewed and recommended improvements known as Option 4, which TAC voted to endorse. Mr. Billo responded to questions and comments from Board members. Chairman Crowell entertained a motion for the endorsement of the need for the project.

Mr. Carpenter moved to endorse the need for the AEPSC Live Oak RPG Project, which ERCOT staff has independently reviewed and recommended improvements known as Option 4 and which TAC has voted to endorse. Clifton Karnei seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Break

Chairman Crowell recessed General Session for break at approximately 10:39 a.m. and reconvened General Session at approximately 10:58 a.m.

Upon reconvening, Mr. Doggett reported that ERCOT staff was preparing to request conservation in the Lower Rio Grande Valley area today due to record-high temperatures and operational issues in that area.

TAC Report; Non-Unanimous NPRRs Recommended by TAC for Approval; NPRR689, Settlement of Ancillary Service Assignment in Real-Time Operations; NPRR714, Real-Time Make-Whole Payment for Exceptional Fuel Cost; NPRR663, Ancillary Service Insufficiency Actions (Agenda Items 9, 9.1, 9.1.1 - 9.1.2 and 2.1.1)

Randa Stephenson presented the TAC Report and the items referenced below as recommended by TAC for Board approval, including NPRR663, which was removed from the Consent Agenda:

- NPRR663, Ancillary Service Insufficiency Actions;
- NPRR689, Settlement of Ancillary Service Assignment in Real-Time Operations; and
- NPRR714, Real-Time Make-Whole Payment for Exceptional Fuel Cost.

Ms. Stephenson responded to questions and comments from Board members.

Mr. Carpenter moved to approve NPRR689 as recommended by TAC in the September 24, 2015 TAC Report. Mr. Pfirrmann seconded the motion. The motion passed by voice vote with three opposed (Laurie Barker, Jack Durland and Nick Fehrenbach) and no abstentions.



Mr. Carpenter moved to approve NPRR663 as recommended by TAC in the September 24, 2015 TAC Report. Mr. Pfirrmann seconded the motion. The motion passed by unanimous voice vote with no abstentions.

After brief discussion, Kevin Gresham moved to approve NPRR714 as recommended by TAC in the September 24, 2015 TAC Report. Mr. Carpenter seconded the motion. The motion passed by unanimous voice vote with two abstentions (Mr. Durland and Mr. Fehrenbach).

Adrienne Brandt provided highlights from the August and September 2015 TAC meetings. There were no questions or comments from Board members.

Finance and Audit (F&A) Committee Report (Agenda Item 10)

Mr. Bermudez, F&A Committee Chairman, reported that the F&A Committee met the prior day and highlighted items discussed at the F&A Committee meeting. There were no questions or comments from Board members.

Human Resources and Governance (HR&G) Committee Report (Agenda Item 11)

Mr. 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. There were no questions or comments from Board members.

Ratification of New Officers for 2015 (Agenda Item 11.1)

Mr. Pfirrmann moved to approve the ratification of new officers for 2015 as recommended by the HR&G Committee. Mr. Karnei seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Review 2016 ERCOT Strategic Goals (Agenda Item 11.2)

Mr. Pfirrmann reported on the HR&G Committee's review of the 2016 ERCOT Strategic Goals.

Other Business (Agenda Item 12)

No other business was discussed at this time.

Executive Session

Chairman Crowell recessed General Session at approximately 11:12 a.m. and convened Executive Session at approximately 11:33 a.m. Chairman Crowell reconvened General Session at approximately 12:55 p.m.

Vote on Matters from Executive Session (Agenda Item 13)

Chairman Crowell entertained motions for three matters discussed during Executive Session.

Mr. Bermudez moved to approve the contract matter as discussed during Executive Session under Agenda Item ES 3.1.1. Mr. Karnei seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Mr. Bermudez moved to approve selection of the auditor as discussed during Executive Session under Agenda Item ES 3.1.2 as the ERCOT 401(k) Savings Plan Auditor for the calendar years



ending December 31, 2015, December 31, 2016 and December 31, 2017. Mr. Cramton seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Mr. Pfirrmann moved to approve the personnel matter as discussed during Executive Session under Agenda Item ES 3.2.1. Mr. Bermudez seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Adjournment (Agenda Item 14)

Chairman Crowell adjourned the meeting at approximately 12:56 p.m.

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

Vickie G. Leady
Assistant Corporate Secretary