



**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
December 8, 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
Baer, Tonya	Office of Public Utility Counsel	Consumer – Residential
Bermudez, Jorge	Unaffiliated	Unaffiliated Director
Carpenter, Mark	Oncor Electric Delivery Company	Investor-Owned Utility
Comstock, Read	Direct Energy	Independent Retail Electric Provider
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
Nelson, Donna	Public Utility Commission of Texas (PUCT)	Chairman
Pfirmsmann, Karl	Unaffiliated	Unaffiliated Director (<i>Proxy for Vice Chair Judy Walsh</i>)
Shellman, Carolyn	CPS Energy	Municipal



Segment Alternates, Officers and Guests:

Ashley, Kristy	Exelon Corporation (Independent Generator Segment Alternate)
Blevins, Bill	ERCOT Director of Grid Coordination
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
Kezar, Mike	South Texas Electric Cooperative, Inc. (Cooperative Segment Alternate)
Lazarus, Dana	ERCOT Planning Analyst – Resource Adequacy
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
Ögelman, Kenan	ERCOT Vice President of Commercial Operations
Petterson, 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
Seely, Chad	ERCOT Assistant General Counsel
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
Werner, John	Source Power & Gas LLC (Independent Retail Electric Provider Segment Alternate)
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 9:01 a.m. Chairman Crowell noted the Antitrust and Security Admonitions. He announced that Unaffiliated Director Judy Walsh provided her proxy to Unaffiliated Director Karl Pfirrmann. Chairman Crowell addressed the following Agenda Items in the order below.

Consent Agenda; Unopposed Nodal Protocol Revision Requests (NPRRs), Planning Guide Revision Request (PGRR), Resource Registration Glossary Revision Request (RRGRR) and System Change Request (SCR) Recommended by Technical Advisory Committee (TAC) for Approval (Agenda Items 2, 2.1, 2.1.1 and 2.1.3 – 2.1.23)

Chairman Crowell announced that Agenda Item 2.1.2 – NPRR702, Flexible Accounts, Payment of Invoices, and Disposition of Interest on Cash Collateral – would be removed from the Consent Agenda



and discussed as part of the TAC Report, Agenda Item 7. He entertained a motion for the approval of the remaining items on the Consent Agenda as follows:

- NPRR641, Season Definition Change for Switchable Resources Reporting Unavailable Capacity;
- NPRR705, Provides Consistency for References to the End Date of the Generation Interconnection Process;
- NPRR708, Clarifying ERCOT Actions During Energy Emergency Alerts;
- NPRR712, Clarification of RUC Process;
- NPRR715, Clarification of Generator Modeling in the Market System;
- NPRR716, Corrections to Aggregated Load and Participant Specific Generation Data Requirements;
- NPRR719, Removal of Trigger and Requirement to Reduce the Distributed Generation (DG) Registration Threshold;
- NPRR725, Modifications to CDR PUN Capacity Forecasting and PUN Net Capacity Reporting Requirements;
- NPRR726, Daily Network Operations Model PSS/E File Posting Modification;
- NPRR727, Removal of Language Related to NPRR327, State Estimator Data Redaction Methodology;
- NPRR728, Removal of Language Related to NPRR484, Revisions to Congestion Revenue Rights Credit Calculations and Payments, and NPRR554, Clarification of Future Credit Exposure Calculation;
- NPRR729, Clarification of Metering Requirements for Resources;
- NPRR730, Elimination of the RUC Behavioral Pricing Rule;
- NPRR731, Changes to Annual Reporting Requirements for RUC Decommittment Payment Amounts;
- NPRR732, Adjustments to Verifiable Costs for Required Resubmissions and Clarification of RUC Forced Outage and Cancellation Procedures;
- NPRR733, Delete Expiration of Customer Load Data Protected Information Status;
- NPRR735, Load Resource Controlled by High-Set Under-Frequency Relay Resource Parameters;
- NPRR736, Updates to the Ancillary Service Capacity Monitor Display;
- NPRR737, Clarification of SASM Notifications;
- PRR045, Alignment with NPRR705, Provides Consistency for References to the End Date of the Generation Interconnection Process;
- RRGR007, Adding Solar Resource Registration Inputs; and
- SCR786, Retail Market Test Environment.

Mark Carpenter moved to approve the Consent Agenda as presented with the exception of Agenda Item 2.1.2. Jorge Bermudez seconded the motion. The motion passed by unanimous voice vote with no abstentions.

October 13, 2015 General Session Meeting Minutes (Agenda Item 3)

Chairman Crowell entertained a motion to approve the October 13, 2015 General Session Meeting Minutes (Minutes).



Nick Fehrenbach moved to approve the Minutes, as presented. Clifton Karnei seconded the motion. The motion passed by unanimous voice vote with one abstention (Tonya Baer).

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

Trip Doggett presented the CEO Update. Mr. Doggett recognized Dana Lazarus, ERCOT Planning Analyst – Resource Adequacy, for her work in analyzing the impacts of future environmental regulations. There were no questions or comments from Board members.

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

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

Beth Garza presented the IMM Report and reported there were no particular items to highlight to the Board. There were no questions or comments from Board members.

Confirmation of 2016 TAC Representatives (Agenda Item 6)

Chairman Crowell entertained a motion for the Confirmation of 2016 TAC Representatives.

Carolyn Shellman moved to confirm the 2016 TAC representatives, as presented. Keith Emery seconded the motion. The motion passed by unanimous voice vote with no abstentions.

TAC Report; NPRR702, Flexible Accounts, Payment of Invoices, and Disposition of Interest on Cash Collateral (Agenda Items 7 and 2.1.2)

Randa Stephenson presented NPRR702, which was removed earlier in the meeting from the Consent Agenda. Mr. Doggett, Betty Day and Jerry Dreyer responded to questions and comments from Board members.

Mr. Carpenter moved to approve NPRR702 as recommended by TAC in the October 29, 2015 TAC Report. Mr. Emery seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Adrienne Brandt presented the TAC Report. There were no questions or comments from Board members.

Panhandle Regional Planning Group Project (Agenda Item 8)

Jeff Billo presented the Panhandle Regional Planning Group Project that met the economic requirements for the ERCOT System, which ERCOT staff independently reviewed and recommended improvements and which TAC voted to endorse with the stipulation that the synchronous condensers contemplated in the ERCOT recommendation cannot be used to offer into any competitive market services. Mr. Billo and Bill Magness responded to questions and comments from Board members.

Mr. Carpenter moved to endorse the need for the Panhandle Regional Planning Group Project that meets the economic requirements for the ERCOT System, which ERCOT staff has independently reviewed and recommended improvements and which TAC has voted to endorse. Mr. Karnei seconded the motion. After inquiry by Mr. Karnei, Mr. Magness clarified that the



Board was apprised of TAC's stipulation to its endorsement vote for background information, but that it was not contemplated that the Board's vote would include the TAC stipulation since it was redundant of existing Commission rules. The motion passed by unanimous voice vote with no abstentions.

2016 Methodology for Determining Minimum Ancillary Service Requirements (Agenda Item 9)

Bill Blevins presented the 2016 Methodology for Determining Minimum Ancillary Service Requirements and responded to questions and comments from Board members.

Peter Cramton moved to approve the 2016 Methodology for Determining Minimum Ancillary Service Requirements, as presented. Mr. Pfirrmann seconded the motion. The motion passed by unanimous voice vote with no abstentions.

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.

Acceptance of 2015 Service Organization Control (SSAE 16) Audit Report (Agenda Item 10.1)

Mr. Bermudez moved to approve the 2015 Service Organization Control (SSAE 16) Audit Report, which was expected to be issued with an unqualified (clean) opinion and with no internal control testing exceptions, as recommended by the F&A Committee. Mr. Karnei seconded the motion. The motion passed by unanimous voice vote with no abstentions.

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.

2016 Key Performance Indicators (KPIs) (Agenda Item 11.1)

Mr. Pfirrmann moved to approve the 2016 Key Performance Indicators as recommended by the HR&G Committee. Ms. Shellman seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Request for Modification of April 2016 Board Meeting Schedule (Agenda Item 11.2)

After a brief discussion, including the exceptional circumstances for such a schedule change, Mr. Carpenter moved to approve the modification of the April 2016 Board and Committee meeting schedule from April 11-12, 2016 to April 18-19, 2016. Mr. Emery seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Recess for the Forty-Fifth Annual Membership Meeting

Chairman Crowell recessed General Session at approximately 10:06 a.m. for the Forty-Fifth Annual Membership Meeting at Austin Marriott South and announced that the Board would continue in General Session upon return from the Membership meeting. Following the Membership meeting, Chairman Crowell reconvened General Session at approximately 1:03 p.m.

Other Business (Agenda Item 12)

Chairman Crowell presented a Board resolution honoring Mr. Doggett, who would be retiring as ERCOT President and CEO effective December 31, 2015. On behalf of the Board, Chairman Crowell



expressed gratitude for Mr. Doggett's distinguished leadership and dedication to the service of ERCOT and noted that Mr. Doggett is the longest-serving ERCOT chief executive since the certification of ERCOT as an Independent System Operator in 2001.

Chairman Crowell moved to approve the resolution as presented. Mr. Karnei seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Executive Session

Chairman Crowell recessed the General Session and convened Executive Session at approximately 1:05 p.m. Chairman Crowell reconvened General Session at approximately 2:31 p.m.

Vote on Matters from Executive Session (Agenda Item 13)

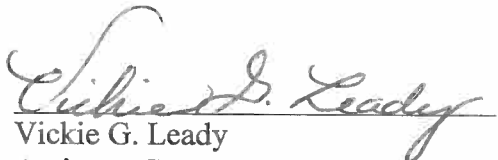
Chairman Crowell entertained a motion for one matter discussed during Executive Session.

Mr. Bermudez moved to select the Independent Service Organization Control (SSAE 16) Auditor as recommended by the F&A Committee and as discussed during Executive Session. Mr. Karnei seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Adjournment (Agenda Item 14)

Chairman Crowell adjourned the meeting at approximately 2:32 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