



MEMORANDUM

To: Human Resources and Governance (HR&G) Committee

From: Chad V. Seely, Vice President, General Counsel and Corporate Secretary
Vickie Leady, Assistant General Counsel and Assistant Corporate Secretary

Date: June 4, 2018

Re: Item 5 – Status of Proposed Amendments to ERCOT Governing Documents

Although ERCOT Legal expected to request that the HR&G Committee and the Board of Directors (Board) vote on proposed amendments to the ERCOT Articles of Incorporation (Articles) and Bylaws at their June 2018 meetings, ERCOT Legal now requests that such vote be deferred until their August 2018 meetings.

On May 11, 2018, ERCOT Legal received comments from Southern Cross Transmission LLC (SCT) requesting that ERCOT and stakeholders delay action on the Bylaws amendments related to SCT's ERCOT membership. The Public Utility Commission of Texas (PUCT) had directed ERCOT to determine an appropriate market segment for SCT in PUCT Docket No. 46304. ERCOT Legal ultimately agreed that the market segment issue could be deferred until a future date. Nonetheless, ERCOT Legal still expected to request a Technical Advisory Committee (TAC) vote to endorse ERCOT Legal's remaining proposed amendments to the Articles and Bylaws at the May 24, 2018 TAC meeting. On the evening of May 23, 2018, ERCOT Legal received comments from Luminant Generation Company LLC (Luminant) on the proposed Affiliate definition in the Bylaws. After consideration, given the importance and relative permanency of the language, ERCOT Legal announced that additional time was needed to evaluate the comments.

After receiving input from Luminant by conference call in advance of the May 24, 2018 TAC meeting, ERCOT Legal announced at the meeting that:

- ERCOT Legal would coordinate a two-hour workshop on comments to the proposed amendments to the Bylaws for in-person and phone/WebEx attendance. The workshop is scheduled for Tuesday, June 19, 2018, from 9:30 a.m. to 11:30 a.m. at ERCOT's office at the Met Center, Room 168. See <http://www.ercot.com/calendar/2018/06/19/157176-tac>.
- ERCOT Legal would set up a web page as a centralized repository for the comments to be posted.

We look forward to answering any questions you may have at the meeting.