



**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  
April 10, 2018 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 (OPUC)	Consumer – Residential
Bluntzer, Rick	Just Energy Texas, LP	Independent Retail Electric Provider
Bulger, Terry	Unaffiliated	Unaffiliated Director
Cramton, Peter	Unaffiliated	Unaffiliated Director
Crowell, Craven (Chairman)	Unaffiliated	Unaffiliated Director
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
Harper, Sam	Chaparral Steel Midlothian, LP	Consumer – Industrial
Karnei, Clifton	Brazos Electric Power Cooperative, Inc.	Cooperative
Magness, Bill	ERCOT	President and Chief Executive Officer (CEO)
Mercado, Kenny	CenterPoint Energy, Inc.	Investor-Owned Utility
Pfirmsmann, Karl	Unaffiliated	Unaffiliated Director
Shellman, Carolyn	CPS Energy	Municipal
Walker, DeAnn	Public Utility Commission of Texas (PUCT)	Chairman
Walsh, Judy (Vice Chair)	Unaffiliated	Unaffiliated Director



Segment Alternates, Officers and Guests:

Adams, John	ERCOT Principal, Grid Integration
Anson, Tom	Stasburger & Price, LLP
Carpenter, Mark	Oncor Electric Delivery Company (Investor-Owned Utility Segment Alternate)
Coleman, Diana	OPUC, Technical Advisory Committee (TAC) Vice Chair
D'Andrea, Arthur	PUCT Commissioner
Day, Betty	ERCOT Vice President of Governance, Risk and Compliance and Chief Compliance Officer
Dreyer, Jerry	ERCOT Senior Vice President and Chief Information Officer
Foss, Dr. Michelle	Bureau of Economic Geology, University of Texas at Austin
Garza, Beth	Potomac Economics, ERCOT Independent Market Monitor (IMM), Director
Gutierrez, Roy	City of Robstown
Helton, Bob	Dynegy, Inc., TAC Chair
Leady, Vickie	ERCOT Assistant General Counsel and Assistant Corporate Secretary
Levine, Jonathan	ERCOT Senior Corporate Counsel
Li, Weifeng	ERCOT Operations Engineer 1
McEachern, Jesica	City of Bridgeport
Mele, Cheryl	ERCOT Senior Vice President and Chief Operating Officer
Moffitt, Steve	Schneider Engineering, Ltd.
Ögelman, Kenan	ERCOT Vice President of Commercial Operations
Petterson, Michael	ERCOT Vice President and Chief Financial Officer
Rajagopalan, Sidharth	ERCOT Senior Power System Engineer
Schwartz, Mark	Golden Spread Electric Cooperative, Inc. (Cooperative Segment Alternate)
Seely, Chad V.	ERCOT Vice President, General Counsel and Corporate Secretary
Williams, Diane	ERCOT Vice President of Human Resources

**Call General Session to Order and Announce Proxies and Segment Alternates (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 recognized DeAnn Walker, Chairman of the PUCT. Chairman Walker called an Open Meeting of the Commission in order to consider matters which had been duly posted with the Texas Secretary of State for April 10, 2018.

Chairman Crowell welcomed new Unaffiliated Director Terry Bulger. He announced that the appeal of TAC's action on Nodal Operating Guide Revision Request (NOGRR) 149, Revision to Definition of Transmission Operator, was listed on the agenda for Board vote. He requested that any parties other than the appellant and TAC Advocate who wanted to address the Board sign in with ERCOT Legal and be acknowledged. Chairman Crowell noted the Antitrust Admonition and addressed the following Agenda Items in the order below.



**Consent Agenda; Unopposed Nodal Protocol Revision Requests (NPRRs), Resource Registration Glossary Revision Requests (RRGRRs) and System Change Requests (SCRs) Recommended by Technical Advisory Committee (TAC) for Approval; Other Binding Document Revision Request (OBDRR) 002, ORDC OBD Revisions for PUCT Project 47199 (Agenda Items 2, 2.1, 2.1.1 - 2.1.10 and 2.2)**

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

- NPRR854, NOIE TDSP Submittal of Meters with Bidirectional Flow Caused by Generation Interconnected at Distribution Voltage;
- NPRR858, Provide Complete Current Operating Plan (COP) Data;
- NPRR860, Day-Ahead Market (DAM) Clean-Up;
- NPRR864, RUC Modifications to Consider Market-Based Solutions;
- NPRR865, Publish RTM Shift Factors for Hubs, Load Zones, and DC Ties;
- NPRR868, As-Built Hub and Load Zone Calculation – URGENT;
- RRGRR015, Additional Guidance for Transformer and Station Data;
- RRGRR016, Additional Guidance for Solar Data;
- SCR793, SSR Related Telemetry for Transmission Service Provider (TSP) Operators;
- SCR795, Addition of Intra-Hour Wind Forecast to GTBD Calculation; and
- OBDRR002, ORDC OBD Revisions for PUCT Project 47199.

**Clifton Karnei moved to approve the Consent Agenda as presented. Nick Fehrenbach seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

**February 20, 2018 General Session Meeting Minutes (Agenda Item 3)**

Chairman Crowell entertained a motion to approve the February 20, 2018 General Session Meeting Minutes (Minutes).

**Kenny Mercado moved to approve the Minutes as presented. Kevin Gresham seconded the motion. The motion passed by unanimous voice vote with one abstention (Terry Bulger).**

**Chief Executive Officer (CEO) Presentation; CEO Update; Operations Report (Agenda Items 4 and 4.1 - 4.2)**

Bill Magness presented the CEO Update and Operations Report. Chairman Walker commented on OBDRR002 and thanked ERCOT and stakeholders for their quick consideration and approval thereof.

Mr. Magness highlighted the Board Security and Technology Deep Dive, which is held every other year and assists in technology and budget planning. He reported that Peter Cramton, Mr. Karnei and Karl Pfirrmann attended this year's Deep Dive on behalf of the Board. Mr. Pfirrmann complimented ERCOT staff on the quality and depth of the presentations and extended his gratitude for their work.

Mr. Magness recognized ERCOT staff members John Adams, Weifeng Li, Sidharth Rajagopalan and Sandip Sharma, who recently received the Electric Power Research Institute (EPRI) Technology Transfer Awards for Black Start contributions. Mr. Magness extended his appreciation to the team for their contributions and great work.



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

Beth Garza presented the IMM Report, and she and Mr. Magness responded to questions and comments from Board members. Chairman Walker requested that staff comment on the changes to collateral requirements associated with the implementation of NPRR800, Revisions to Credit Exposure Calculations to Use Electricity Futures Market Prices, and Chairman Crowell and Mr. Magness agreed that staff would present a summary of this issue later as part of the Finance and Audit (F&A) Committee Report (Agenda Item 9).

### **Break (Agenda Item 6)**

Chairman Crowell recessed the General Session for break at approximately 9:49 a.m. and reconvened the General Session at approximately 10:06 a.m.

### **TAC Report; Appeal of TAC Action on NOGRR149, Revision to Definition of Transmission Operator; Background Information; Appeal and Position Statement of Small Public Power Group of Texas; TAC Advocate Presentation of TAC Action; ERCOT Comments; Position Statements of Interested Parties; Closing Statement of Small Public Power Group of Texas (Agenda Items 8, 8.1 and 8.1.1 - 8.1.6)**

Bob Helton, TAC Chair, presented the appeal of TAC Action on NOGRR149. Chad Seely announced that each party would be given equal time to speak. Mr. Seely provided an overview of the process to be used and introduced Tom Anson of Strasburger & Price, LLP, representing the Small Public Power Group of Texas (SPPG), the appellant, and Diana Coleman, representing OPUC, the TAC Advocate. Mr. Seely reported that ERCOT had filed comments on this matter that he would address after the TAC Advocate presentation.

Mr. Karnei disclosed that several of the municipalities involved in the appeal are served by Brazos Electric Power Cooperative, Inc. facilities and as a result, he would not be participating in the appeal discussion and would be abstaining from voting on this matter.

Mr. Anson introduced Steve Moffitt, Schneider Engineering, Ltd., on behalf of SPPG, and representatives of two SPPG members: Jesica McEachern, City of Bridgeport, and Roy Gutierrez, City of Robstown. Mr. Anson presented the appeal and position statement of SPPG. Ms. Coleman presented the TAC Advocate Presentation of the TAC action on NOGRR149. Following Mr. Anson's and Ms. Coleman's statements, Mr. Seely invited any other parties who wished to address the Board to come forward and be acknowledged; no other parties came forward. Mr. Seely presented ERCOT's comments. Mr. Anson presented a closing statement.

Board members discussed the appeal, and Mr. Magness responded to questions and comments. After discussion, Chairman Crowell entertained a motion.

**Mr. Pfirrmann moved to deny the appeal of SPPG of TAC's rejection of NOGRR149. Mr. Cramton seconded the motion.** Board members discussed the motion, and Mr. Seely responded to questions and comments. **The motion passed by a show-of-hands vote with one opposed (Carolyn Shellman) and two abstentions (Keith Emery and Mr. Karnei).**

Mr. Helton presented the TAC Report. There were no questions or comments from Board members.



### **Clear as Mud (Rocks): A Forward View of Natural Gas (Agenda Item 7)**

Chairman Crowell introduced Dr. Michelle Foss with the Bureau of Economic Geology at the University of Texas at Austin. Chairman Crowell and Mr. Magness extended their appreciation to Dr. Foss for her attendance. Dr. Foss presented Clear as Mud (Rocks): A Forward View of Natural Gas. There were no questions or comments from Board members.

### **Finance and Audit (F&A) Committee Report; Acceptance of Financial Statements Audit Report (Agenda Items 9 and 9.1)**

Vice Chair Walsh, who also serves as F&A Committee Chair, reported that the F&A Committee met the prior day and highlighted items discussed at the F&A meeting. She reported that the Committee reviewed the Financial Statements Audit Report (Report) with the Independent Financial Auditor, which includes an unmodified or “clean” audit opinion, and that the Committee had voted to recommend Board acceptance of the Report.

**Vice Chair Walsh moved to accept the Report as recommended by the F&A Committee. Mr. Fehrenbach seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

At the request of Chairman Walker and Vice Chair Walsh, Mark Ruane presented a report on the impacts associated with the implementation of NPRR800, which was also reviewed and discussed the prior day at the F&A Committee meeting. Mr. Ruane responded to questions and comments from Board members.

### **Human Resources and Governance (HR&G) Committee Report (Agenda Item 10)**

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.

### **Other Business (Agenda Item 11)**

No other business was discussed at this time.

### **Executive Session**

Chairman Crowell recessed General Session at approximately 11:53 a.m. and convened Executive Session at approximately 12:09 p.m. Chairman Crowell reconvened General Session at approximate 1:26 p.m.

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

Chairman Crowell entertained motions for two matters during Executive Session.

**Vice Chair Walsh moved to select the Independent Financial 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.**

**Mr. Karnei moved to approve the security matter discussed during Executive Session under Agenda Item ES 5.1. Mr. Pfirrmann seconded the motion. The motion passed by unanimous voice vote with no abstentions.**



**Adjournment (Agenda Item 13)**

Chairman Crowell adjourned the meeting at approximately 1:28 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