



**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
August 8, 2017 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 (Not Present for Agenda Items 1-3)
Cramton, Peter	Unaffiliated	Unaffiliated Director
Crowell, Craven (Chairman)	Unaffiliated	Unaffiliated Director
Durland, Jack	Valero Services, Inc.	Consumer – Industrial
Emery, Keith	Tenaska Power Services Co.	Independent Power Marketer
Fehrenbach, Nick	City of Dallas	Consumer – Commercial
Jones, Randy	Calpine Corporation	Independent Generator
Karnei, Clifton	Brazos Electric Power Cooperative, Inc.	Cooperative
Magness, Bill	ERCOT	President and Chief Executive Officer (CEO)
Pfirmsmann, Karl	Unaffiliated	Unaffiliated Director
Shellman, Carolyn	CPS Energy	Municipal
Smith, Wade	American Electric Power Service Corporation	Investor-Owned Utility
Walsh, Judy (Vice Chair)	Unaffiliated	Unaffiliated Director
Werner, John	Source Power & Gas, LLC	Independent Retail Electric Provider



Segment Alternates, Officers and Guests:

Brandt, Adrienne	CPS Energy, Technical Advisory Committee (TAC) Chair
Cabezas Garcia, Zeke	ERCOT 2017 Summer Intern
Cochran, Seth	DC Energy Texas, LLC (Independent Power Marketer Segment Alternate)
Daniels, Steve	ERCOT Vice President of Application Services and IT Operations
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
Harper, Sam	Chaparral Steel Midlothian LP (Consumer – Industrial Segment Alternate)
Helton, Bob	Dynegy, Inc., TAC Vice Chair
Hoskins, Michelle	ERCOT Manager of Recruiting
Lasher, Warren	ERCOT Senior Director of System Planning
Leady, Vickie	ERCOT Assistant General Counsel and Assistant Corporate Secretary
Levine, Jonathan	ERCOT Corporate Counsel
Marquez, Brandy Marty	Public Utility Commission of Texas (PUCT) Commissioner
Mele, Cheryl	ERCOT Senior Vice President and Chief Operating Officer
Mercado, Kenny	CenterPoint Energy, Inc. (Investor-Owned Utility Segment Alternate)
Ögelman, Kenan	ERCOT Vice President of Commercial Operations
Petterson, Michael	ERCOT Vice President and Chief Financial Officer
Ramsland, Alison	ERCOT 2017 Summer Intern
Rickerson, Woody	ERCOT Vice President of Grid Planning and Operations
Ruane, Mark	ERCOT Director of Settlements, Retail and Credit
Seely, Chad V.	ERCOT Vice President, General Counsel and Corporate Secretary
Staples, Todd	Texas Oil & Gas Association (TxOGA), President
Williams, Diane M.	ERCOT Vice President of Human Resources

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. He noted the Antitrust Admonition and announced there were no proxies. He addressed the following Agenda Items in the order below.

Consent Agenda; Unopposed Nodal Protocol Revision Requests (NPRRs) and System Change Request (SCR) Recommended by Technical Advisory Committee (TAC) for Approval (Agenda Items 2, 2.1 and 2.1.1 - 2.1.3)

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



- NPRR822, Designate Resource Node Procedure an Other Binding Document and Adjust the Process for Retiring Resource Nodes;
- NPRR833, Modify PTP Obligation Bid Clearing Change – URGENT; and
- SCR792, Enhance Communications of BAAL Exceedances.

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

June 13, 2017 General Session Meeting Minutes (Agenda Item 3)

Chairman Crowell entertained a motion to approve the June 13, 2017 General Session Meeting Minutes (Minutes).

Wade Smith moved to approve the Minutes as presented. Peter Cramton seconded the motion. The motion passed by unanimous voice vote with no abstentions.

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

Bill Magness presented the CEO Update. Mr. Magness and Michael Petterson responded to questions and comments from Board members.

Mr. Magness reported that the PUCT approved the re-elections of Unaffiliated Directors Craven Crowell, Judy Walsh and Karl Pfirrmann for their third and final terms and conveyed appreciation for their service on the ERCOT Board. Chairman Crowell conveyed appreciation on behalf of Vice-Chair Walsh, Mr. Pfirrmann and himself.

Mr. Magness presented the Operations Report. He reported that a portion of the Wind Day-Ahead Current Operating Plan (COP) data on page five of the Operations Report was incorrect, and that a revised Operations Report with correct data would be posted to ERCOT's website. There were no questions or comments from Board members.

Recruiting Update (Agenda Item 4.3)

Michelle Hoskins presented the Recruiting Update and responded to questions and comments from Board members. Mr. Cramton praised the intern program and the collaboration between ERCOT and the universities involved.

Summer Interns Presentation (Agenda Item 4.4)

Ms. Hoskins introduced 2017 Summer Interns Zeke Cabezas Garcia and Alison Ramsland. Mr. Cabezas Garcia and Ms. Ramsland presented an overview of the projects they worked on during their internships.

Mr. Magness extended his gratitude to Mr. Cabezas Garcia and Ms. Ramsland and the 2017 Summer Interns for their contributions and responded to questions and comments from Board members.



Natural Gas Presentation; The State of Natural Gas in Texas; Grid Impacts of Natural Gas Price (Agenda Items 4.5, 4.5.1 and 4.5.2)

Mr. Magness introduced Todd Staples, former Texas Commissioner of Agriculture and current President of the Texas Oil & Gas Association (TxOGA). Chairman Crowell welcomed Commissioner Staples and conveyed his appreciation for his attendance at the Board meeting. Commissioner Staples presented The State of Natural Gas in Texas and responded to questions and comments from Board members.

Warren Lasher presented the Grid Impacts of Natural Gas Price and responded to questions and comments from Board members.

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

Beth Garza presented the IMM Report. Ms. Garza, Mr. Lasher, Kenan Ögelman and Woody Rickerson responded to questions and comments from Board members.

TAC Report (Agenda Item 6)

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

Break

Chairman Crowell recessed the General Session for break at approximately 10:47 a.m. and reconvened the General Session at approximately 11:05 a.m.

Market Continuity Guiding Principles (Agenda Item 7)

Mark Ruane presented the Market Continuity Guiding Principles and responded to questions and comments from Board members.

Finance and Audit (F&A) Committee Report (Agenda Item 8)

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. There were no questions or comments from Board members.

Acceptance of ERCOT's 401(k) Savings Plan Audit Report (Agenda Item 8.1)

Vice Chair Walsh moved to accept the 2016 ERCOT 401(k) Savings Plan Audit Report 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 9)

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.

Ethics Agreements Forms for ERCOT Employees, Directors and Segment Alternates (Agenda Item 9.1)

Mr. Pfirrmann moved to approve the Ethics Agreements Forms for ERCOT Employees, Directors and Segment Alternates as recommended by the HR&G Committee. Mr. Smith seconded the motion. The motion passed by unanimous voice vote with no abstentions.



2018 Board Meeting and Annual Meeting Schedule (Agenda Item 9.2)

Mr. Pfirrmann moved to approve the 2018 Board Meeting and Annual Meeting Schedule as recommended by the HR&G Committee. Tonya Baer seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Nominating Committee Report (Agenda Item 10)

Chairman Crowell, who also serves as Nominating Committee Chairman, reported that the Nominating Committee met the prior day for the purpose of interviewing Unaffiliated Director Candidates. He reported that the Committee has identified a prospective candidate to fill the Unaffiliated Director vacancy and that the Committee expects to vote at its October 2017 meeting to select a candidate for presentation to ERCOT's Corporate Members and the PUCT. There were no questions or comments from Board members.

Notice of Upcoming Segment Meetings (Agenda Item 11)

Mr. Magness reported that the upcoming Segment Meetings are currently being scheduled for September 2017. He requested that Board members reach out to members of their respective Segments and encourage participation.

Other Business (Agenda Item 12)

No other business was discussed at this time.

Executive Session

Chairman Crowell recessed General Session at approximately 11:22 a.m. and convened Executive Session at approximately 11:37 a.m. Chairman Crowell reconvened General Session at approximately 12:42 p.m.

Vote on Matters from Executive Session (Agenda Item 13)

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

Vice Chair Walsh moved to select ERCOT's 401(k) Savings Plan 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 12:43 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