



**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
August 7, 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:

Director	Affiliation	Segment
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 (Proxy for Unaffiliated Director Judy Walsh)
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



Segment Alternates, Officers and Guests:

Botkin, Shelly	PUCT Commissioner
Carpenter, Mark	Oncor Electric Delivery Company (Investor-Owned Utility Segment Alternate)
Cochran, Seth	DC Energy Texas LLC (Independent Power Marketer Segment Alternate)
Coleman, Chris	ERCOT Senior Meteorologist
Coleman, Diana	OPUC, Technical Advisory Committee (TAC) Vice Chair
D'Andrea, Arthur	PUCT Commissioner
Dahl, Steve	ERCOT Manager of Database Hosting Services
Daniels, Steve	ERCOT Vice President of Digital Services
Day, Betty	ERCOT Vice President of Governance, Risk and Compliance and Chief Compliance Officer
Dreyer, Jerry	ERCOT Senior Vice President and Chief Information Officer
Duncan, Michelle	ERCOT Senior Manager of IT Transformation
Eickenhorst, Randy	ERCOT QA Test Environments Lead
Fox, Anna	ERCOT 2018 Summer Intern
Frazier, Amanda	Luminant Generation Company LLC (Independent Generator Segment Alternate)
Gage, Theresa	ERCOT Vice President of External Affairs and Corporate Communications
Garza, Beth	Potomac Economics, ERCOT Independent Market Monitor (IMM), Director
Groenewald, Ben	ERCOT Supervisor of Database hosting Services
Hassan, Mohsin	VEH LLC (Independent Retail Electric Provider Segment Alternate)
Hoskins, Michelle	ERCOT Manager of Recruiting
Leady, Vickie	ERCOT Assistant General Counsel and Assistant Corporate Secretary
Levine, Jonathan	ERCOT Senior Corporate Counsel
Lyons, Glen	ExxonMobil Power and Gas Services, Inc. (Consumer – Industrial Segment Alternate)
Mele, Cheryl	ERCOT Senior Vice President and Chief Operating Officer
Mereness, Matt	ERCOT Director of Compliance
Ögelman, Kenan	ERCOT Vice President of Commercial Operations
Petterson, Michael	ERCOT Vice President and Chief Financial Officer
Rickerson, Woody	ERCOT Vice President of Grid Planning and Operations
Santoni-Colvin, Ethan	ERCOT 2018 Summer Intern
Schwartz, Mark	Golden Spread Electric Cooperative, Inc. (Cooperative Segment Alternate)
Seely, Chad V.	ERCOT Vice President, General Counsel and Corporate Secretary
Walde, Bhushan	ERCOT Senior Database Administrator
Williams, Diane M.	ERCOT Vice President of Human Resources
Woodfin, Dan	ERCOT Senior Director of System Operations



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 9:00 a.m.

Chairman Crowell welcomed the three PUCT Commissioners to the meeting and 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 August 7, 2018.

Chairman Crowell noted the Antitrust Admonition, announced that Unaffiliated Director Judy Walsh had provided her proxy to Unaffiliated Director Peter Cramton, and addressed the following Agenda Items in the order below.

Consent Agenda; Unopposed Nodal Protocol Revision Requests (NPRRs), Nodal Operating Guide Revision Requests (NOGRRs), Planning Guide Revision Requests (PGRRs), Resource Registration Glossary Revision Request (RRGRR), System Change Request (SCR) and Verifiable Cost Manual Revision Requests (VCMRRs) Recommended by Technical Advisory Committee (TAC) for Approval (Agenda Items 2, 2.1 and 2.1.1 – 2.1.15)

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

- NPRR847, Exceptional Fuel Cost Included in the Mitigated Offer Cap;
- NPRR856, Treatment of OFFQS Status in Day-Ahead Make Whole and RUC Settlements;
- NPRR862, Updates to Address Revisions under PUCT Project 46369;
- NPRR866, Mapping Registered Distributed Generation and Load Resources to Transmission Loads in the Network Operations Model;
- NPRR873, Posting of the ERCOT Wide Intra-Hour Wind Power and Load Forecast on the MIS Public;
- NPRR874, Change to Report for Net Allocation to Load Settlement Stability;
- NPRR875, Clarification for the Implementation of NPRR864, RUC Modifications to Consider Market-Based Solutions;
- NPRR877, Use of Actual Interval Data for IDR ESI IDs for Initial Settlement;
- NOGRR174, AVR and PSS Testing Requirements;
- PGRR061, Related to NPRR866, Mapping Registered Distributed Generation and Load Resources to Transmission Loads in the Network Operations Model;
- PGRR062, Updates to Generation Interconnection or Change Request (GINR) Process;
- RRGRR017, Related to NPRR866, Mapping Registered Distributed Generation and Load Resources to Transmission Loads in the Network Operations Model;
- SCR796, Change Validation Rules to Preclude Certain Transactions at Resource Nodes within Private Use Networks;
- VCMRR021, Related to NPRR847, Exceptional Fuel Cost Included in the Mitigated Offer Cap – URGENT; and
- VCMRR022, Determination of Fuel Adder Price for Coal and Lignite Resources.



Chairman Crowell reported that NPRR847 was again before the Board after the Board remanded it to TAC at the June 12, 2018 Board meeting, and inquired with Nick Fehrenbach whether the revised NPRR recommended for approval by TAC sufficiently addressed the concerns he raised at that meeting. Mr. Fehrenbach confirmed that the revised NPRR847 as recommended for approval by TAC sufficiently addressed his concerns and thanked ERCOT staff and TAC.

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

June 12, 2018 General Session Meeting Minutes (Agenda Item 3)

Chairman Crowell entertained a motion to approve the June 12, 2018 General Session Meeting Minutes (Minutes).

Mr. Mercado moved to approve the Minutes as presented. Terry Bulger seconded the motion. The motion passed by unanimous voice vote with two abstentions (Tonya Baer and Clifton Karnei).

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

Bill Magness presented the CEO Update and Operations Report. He recognized ERCOT staff members Steve Dahl, Michelle Duncan, Randy Eickenhorst, Ben Groenewald and Bhushan Walde for their significant contributions on the Test Data Refresh Project. Mr. Magness extended his appreciation to the team for their contributions and great work.

Mr. Magness highlighted the recent order issued by the Federal Energy Regulatory Commission (FERC) that preserves the status quo for ERCOT jurisdiction even if proposed interconnections involving Mexico are completed. He and Chairman Crowell thanked the FERC Commissioners, Chairman Walker and legal teams from interested parties for their efforts.

Mr. Magness introduced Dan Woodfin, Kenan Ögelman and Chris Coleman and invited them to report on summer operations and weather. Mr. Woodfin presented the Summer Systems Operations Update. There were no questions or comments from Board members. Mr. Ögelman presented August Forward Prices and responded to questions and comments from Board members. Mr. Coleman presented the Summer Weather Update and responded to questions and comments from Board members.

Summer Interns Presentation (Agenda Item 4.3)

Michelle Hoskins introduced 2018 Summer Interns Ethan Santoni-Colvin and Anna Fox. Mr. Santoni-Colvin and Ms. Fox presented an overview of the projects they worked on during their internships. Ms. Fox responded to questions and comments from Board members.

Mr. Magness, Chairman Crowell and Board members commented on the high quality of the summer internship program and extended their gratitude to Mr. Santoni-Colvin, Ms. Fox and the rest of the 2018 Summer Interns for their contributions.



ERCOT's Digital Engagement Strategy (DES) (Agenda Item 5)

Steve Daniels presented ERCOT's Digital Engagement Strategy. There were no questions or comments from Board Members.

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

Beth Garza presented the IMM Report, and she and Mr. Coleman responded to questions and comments from Board members.

TAC Report (Agenda Item 7)

Diana Coleman, TAC Vice Chair, presented the TAC Report. There were no questions or comments from Board members.

ERCOT Recommendations to PUC Project No. 46304, Oversight Proceeding Regarding ERCOT Matters Arising Out of PUC Docket No. 45624 Relating to DC Tie Project Proposed by Southern Cross Transmission, LLC; Directive 1 – ERCOT Determination on Market Participant Category; Directive 5 – ERCOT Determination on Model Assumptions and Timing of Inclusion in Transmission Planning Studies; Directive 8 – ERCOT Determination on Primary Frequency Response Requirement (Agenda Items 8 and 8.1 – 8.3)

Matt Mereness presented the ERCOT Recommendations to PUC Project No. 46304, Oversight Proceeding Regarding ERCOT Matters Arising Out of PUC Docket No. 45624 Relating to DC Tie Project Proposed by Southern Cross Transmission, LLC and Directives 1, 5 and 8, and responded to questions and comments from Board members. Chairman Crowell entertained a motion regarding Directive 8.

Keith Emery moved to accept ERCOT staff's determination on Directive 8 that no ERCOT Protocol or Other Binding Document Revision Requests related to Primary Frequency Response (PFR) are necessary in order to specifically accommodate the Southern Cross Transmission, LLC Direct Current Tie (DC Tie). Ms. Baer seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Break

Chairman Crowell recessed the General Session for break at approximately 10:51 a.m. and reconvened the General Session at approximately 11:09 a.m.

Real-Time Market Price Correction for Certain Intervals on Operating Day July 18, 2018 (Agenda Item 9)

Mr. Ögelman and Woody Rickerson presented the Real-Time Market Price Correction for Certain Intervals on Operating Day July 18, 2018 and responded to questions and comments from Board members.

Karl Pfirrmann moved that the Board (1) determine that the Real-Time Locational Marginal Prices (RTLMPs), Real-Time Settlement Point Prices (RTSPPs), EPS Meter Prices (RTRMPRs), and other prices affected by a Data Input error for Settlement Intervals ending 1630 through 1830 of Operating Day July 18, 2018 were significantly



affected by such Data Input error, and (2) authorize ERCOT staff to implement the appropriate price corrections pursuant to paragraph (6) of Protocol Section 6.3. Peter Cramton seconded the motion. The motion passed by unanimous voice vote with no abstentions.

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

Clifton Karnei, F&A Committee Vice Chairman, 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 10.1)

Mr. Karnei moved to accept the ERCOT 2017 401(k) Savings Plan Audit Report as recommended by the F&A Committee. Mr. Mercado 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. There were no questions or comments from Board members.

Proposed Amendments to ERCOT Articles of Incorporation; Proposed Amendments to ERCOT Bylaws (Agenda Items 11.1 and 11.2)

Mr. Pfirrmann moved to approve the amendments to the Articles of Incorporation and Bylaws as recommended by the HR&G Committee. Ms. Baer seconded the motion. The motion passed by unanimous voice vote with no abstentions.

2019 ERCOT Board Meeting and Annual Meeting Schedule (Agenda Item 11.3)

Mr. Pfirrmann presented the 2019 ERCOT Board Meeting and Annual Meeting Schedule and responded to questions and comments from Board members. Mr. Pfirrmann moved to approve the 2019 Board Meeting and Annual Meeting Schedule as recommended by the HR&G Committee. Mr. Cramton seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Call for Special Meeting of ERCOT Corporate Members (Agenda Item 12)

Chairman Crowell entertained a motion to call for a Special Meeting of ERCOT Corporate Members for approval of the proposed Articles of Incorporation and Bylaws amendments. Mr. Pfirrmann moved to approve the calling of a Special Meeting of ERCOT Corporate Members for approval of the proposed Articles of Incorporation and Bylaws amendments as presented. Mr. Emery seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Other Business (Agenda Item 13)

No other business was discussed at this time.



Executive Session; Vote on Matters from Executive Session; Adjournment (Agenda Items 14 and 15)

Chairman Crowell announced no voting items from Executive Session were expected; accordingly, he would adjourn the meeting immediately upon conclusion of Executive Session.

Chairman Crowell recessed General Session at approximately 11:38 a.m. and convened Executive Session at approximately 11:56 a.m.

There were no voting items from Executive Session.

Chairman Crowell adjourned the meeting upon conclusion of Executive Session at approximately 2:19 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