



**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
October 9, 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
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 (<i>Proxy for Rick Bluntzer for Agenda Item 15</i>)
Pfirmsmann, Karl	Unaffiliated	Unaffiliated Director (<i>Proxy for Craven Crowell</i>)
Sargent, Jackie	Austin Energy	Municipal Segment Alternate
Walsh, Judy (Vice Chair)	Unaffiliated	Unaffiliated Director



Segment Alternates, Officers and Guests:

Billo, Jeff	ERCOT Senior Manager of Transmission Planning
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	Public Utility Commission of Texas (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
Frazier, Amanda	Luminant Generation Company LLC (Independent Generator Segment Alternate)
Gage, Theresa	ERCOT Vice President of External Affairs and Corporate Communications
Helton, Bob	ENGIE Resources LLC, TAC Chair
Huang, Fred	ERCOT Manager of Regional Planning
Koepke, Joel	ERCOT Manager of Grid Coordination Applications and Development
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)
Maggio, Dave	ERCOT Senior Manager, Market Analysis and Validation
Mele, Cheryl	ERCOT Senior Vice President and Chief Operating Officer
Mereness, Matt	ERCOT Director of Compliance
Ogelman, Kenan	ERCOT Vice President of Commercial Operations
Petterson, Michael	ERCOT Vice President and Chief Financial Officer
Reedy, Steve	Potomac Economics, ERCOT Independent Market Monitor (IMM), Deputy Director
Rickerson, Woody	ERCOT Vice President of Grid Planning and Operations
Schwartz, Mark	Golden Spread Electric Cooperative, Inc. (Cooperative Segment Alternate)
Seely, Chad V.	ERCOT Vice President, General Counsel and Corporate Secretary
Woodfin, Dan	ERCOT Senior Director of System Operations

Call General Session to Order and Announce Proxies (Agenda Item 1)

Judy Walsh, Board Vice Chair, determined that a quorum was present and called the Board General Session meeting to order at approximately 9:00 a.m.

Vice Chair Walsh noted the Antitrust Admonition, and announced that Unaffiliated Director Craven Crowell, Board Chairman, had provided his proxy to Unaffiliated Director Karl Pfirrmann, and Jackie Sargent, Municipal Segment Alternate, was attending in Carolyn



Shellman's absence. Vice Chair Walsh addressed the following Agenda Items in the order below.

Consent Agenda; Unopposed Nodal Protocol Revision Requests (NPRRs), Nodal Operating Guide Revision Request (NOGRR) and Planning Guide Revision Requests (PGRRs) Recommended by Technical Advisory Committee (TAC) for Approval (Agenda Items 2, 2.1, and 2.1.1 – 2.1.10)

Vice Chair Walsh entertained a motion for the approval of the Consent Agenda as follows:

- NPRR845, RMR Process and Agreement Revisions;
- NPRR857, Creation of Direct Current Tie Operator Market Participant Role;
- NPRR869, Clarification of Language Related to Generation Netting for ERCOT-Polled Settlement Meters;
- NPRR880, Publish Real-Time Market Shift Factors for Private Use Network Settlement Points;
- NPRR883, Adjustment to Settlement Equation for Ancillary Services Assignment;
- NPRR888, 4-Coincident Peak Adjustment Methodology;
- NPRR890, Correction to Calculation of Real-Time LMPs at Logical Resource Node for On-Line Combined Cycle Generation Resources – URGENT;
- NOGRR177, Related to NPRR857, Creation of Direct Current Tie Operator Market Participant Role;
- PGRR063, Transmission Interconnection Study; and
- PGRR064, Transmission Dynamic Element Model Verification.

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

August 7, 2018 General Session Meeting Minutes (Agenda Item 3)

Vice Chair Walsh entertained a motion to approve the August 7, 2018 General Session Meeting Minutes (Minutes).

Kenny Mercado moved to approve the Minutes as presented. Peter Cramton seconded the motion. The motion passed by unanimous voice vote with two abstentions (Jackie Sargent and Vice Chair Walsh).

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

Bill Magness presented the CEO Update and Operations Report. He recognized several ERCOT staff members for their significant contributions on the development of the GridGeo platform. Mr. Magness extended his appreciation to the team for their contributions and great work. There were no questions or comments from Board members.

GridGeo Overview (Agenda Item 4.2)

Joel Koepke presented the GridGeo Overview. Vice Chair Walsh congratulated Mr. Koepke and the team on behalf of the Board for their impressive work.



Summer 2018 (Agenda Item 5)

Vice Chair Walsh invited Dan Woodfin, Dave Maggio and Chris Coleman to present the Summer 2018 review (Agenda Items 5.1 and 5.2 below).

Summer 2018 Operational and Market Review (Agenda Item 5.1)

Mr. Woodfin and Mr. Maggio presented the Summer 2018 Operational and Market Review and responded to questions and comments from Board members.

Summer Weather Review, Fall-Winter Forecast, and Wind Study Update (Agenda Item 5.2)

Mr. Coleman presented the Summer Weather Review, Fall-Winter Forecast, and Wind Study Update and responded to questions and comments from Board members.

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

Steve Reedy presented the IMM Report and responded to questions and comments from Board members.

Break

Vice Chair Walsh recessed the General Session for break at approximately 10:25 a.m. and reconvened the General Session at approximately 10:40 a.m.

TAC Report (Agenda Item 8)

Bob Helton, TAC Chair, presented the TAC Report. There were no questions or comments from Board members.

Bearkat Area Transmission Improvements Regional Planning Group Project (Agenda Item 9)

Fred Huang presented the Bearkat Area Transmission Improvements Regional Planning Group Project, which ERCOT staff independently reviewed and recommended improvements known as Option 3, and which TAC voted to endorse, based on ERCOT economic planning criteria. Mr. Huang, Chad Seely, and Jeff Billo responded to questions and comments from Board members.

Mr. Pfirrmann moved to endorse the need for the Bearkat Area Transmission Improvement Regional Planning Group Project, which ERCOT staff independently reviewed and recommended improvements known as Option 3, and which TAC has voted to endorse, based on ERCOT economic planning criteria. Keith Emery seconded the motion. The motion passed by unanimous voice vote with no abstentions.

ERCOT Recommendation 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 10 – ERCOT Determination regarding Price Formation Under Emergency Condition (Agenda Item 10)

Matt Mereness presented the ERCOT Recommendation 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 10 – ERCOT



Determination regarding Price Formation Under Emergency Condition, and he and Mr. Seely responded to questions and comments from Board members.

Clifton Karnei moved to accept ERCOT staff's determination on Directive 10 that no changes to pricing are needed at this time to address the potential impact on price formation of certain actions affecting Direct Current Tie (DC Tie) flows during emergencies. Mr. Cramton seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Finance and Audit (F&A) Committee Report (Agenda Item 11)

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 Committee meeting. There were no questions or comments from Board members.

Human Resources and Governance (HR&G) Committee Report (Agenda Item 12)

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.

Update on Results of Special Meeting of ERCOT Corporate Members for Approval of Amendments to the Articles of Incorporation and Bylaws (Agenda Item 13)

Vickie Leady presented the Update on Results of Special Meeting of ERCOT Corporate Members for Approval of Amendments to the Articles of Incorporation and Bylaws. Mr. Magness and Ms. Leady thanked Corporate Members for their participation. There were no questions or comments from Board members.

Other Business (Agenda Item 14)

No other business was discussed at this time.

Executive Session

Vice Chair Walsh recessed General Session at approximately 11:18 a.m. to convene Executive Session at approximately 11:38 a.m. Vice Chair Walsh reconvened General Session at approximate 1:53 p.m.

Vote on Matters from Executive Session (Agenda Item 15)

Vice Chair Walsh entertained motions for two matters 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. Terry Bulger seconded the motion. The motion passed by voice vote with one opposed (Clifton Karnei) and no abstentions.

Mr. Pfirrmann moved to approve the personnel matter as discussed during Executive Session under Agenda Item ES 9. Mr. Cramton seconded the motion. The motion passed by unanimous voice vote with one abstention (Mr. Magness).



Adjournment (Agenda Item 16)

Vice Chair Walsh adjourned the meeting at approximately 1:54 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