



**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
December 11, 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
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, Commission)	Chairman
Walsh, Judy (Vice Chair)	Unaffiliated	Unaffiliated Director



Segment Alternates, Officers and Guests:

Bauld, Mandy	ERCOT Senior Director of Project Management Office
Botkin, Shelly	PUCT Commissioner
Carpenter, Mark	Oncor Electric Delivery Company (Investor-Owned Utility Segment Alternate)
Chambers, Jason	ERCOT Senior Manager of Network Services and Administration
Coleman, Diana	Office of Public Utility Counsel (OPUC), Technical Advisory Committee (TAC) Vice Chair
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
Garza, Beth	Potomac Economics, ERCOT Independent Market Monitor (IMM), Director
Hassan, Mohsin	VEH LLC (Independent Retail Electric Provider Segment Alternate)
Helton, Bob	ENGIE Resources LLC, TAC Chair
Hobbs, Kristi	ERCOT Director of Enterprise Risk Management and Strategic Analysis
Leady, Vickie	ERCOT Assistant General Counsel and Assistant Corporate Secretary
Levine, Jonathan	ERCOT Senior Corporate Counsel
Lightener, Debbie	ERCOT Senior Client Services Account Manager
Lyons, Glen	ExxonMobil Power and Gas Services, Inc. (Consumer – Industrial Segment Alternate)
Mereness, Matt	ERCOT Director of Compliance
Ögelman, Kenan	ERCOT Vice President of Commercial Operations
Opheim, Calvin	ERCOT Manager of Load Forecasting and Analysis
Petterson, Michael	ERCOT Vice President and Chief Financial Officer
Rickerson, Woody	ERCOT Vice President of Grid Planning and Operations
Seely, Chad V.	ERCOT Vice President, General Counsel and Corporate Secretary
Sharma, Sandip	ERCOT Manager of Operations Planning

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.

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 December 11, 2018.

Chairman Crowell noted the Antitrust Admonition and announced that the Forty-Eighth Annual Meeting of ERCOT Membership would be held later that day at the Austin Marriott South at 11:00 a.m. He announced that Tanya Baer, formerly the Consumer – Residential Segment



Director, had departed OPUC, effective November 30, 2018, and thus became ineligible to serve on the ERCOT Board at that time. Chairman Crowell addressed the following Agenda Items in the order below.

Consent Agenda; Unopposed Revision Requests Recommended by Technical Advisory Committee (TAC) for Approval (Agenda Items 2, 2.1, and 2.1.1 – 2.1.26)

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

- LPGRR065, Related to NPRR881, Annual Validation Process Revisions;
- NPRR878, ERS Obligation Report for TDSPs;
- NPRR879, SCED Base Point, Base Point Deviation, and Performance Evaluation Changes for IRRs that Carry Ancillary Services;
- NPRR881, Annual Validation Process Revisions;
- NPRR882, Related to PGRR067, Procedures for Wind and Solar Equipment Change ;
- NPRR884, Adjustments to Pricing and Settlement for Reliability Unit Commitments (RUCs) of On-Line Combined Cycle Generation Resources;
- NPRR887, Monthly Posting of Default Uplift Exposure Information;
- NPRR889, RTF-1 Replace Non-Modeled Generator with Settlement Only Generator;
- NPRR892, Non-Spin Reserve Energy Floor Clarification;
- NPRR893, Clarification of Fuel Index Price and Incorporation of System-Wide Offer Cap and Scarcity Pricing Mechanism Methodology into Protocols;
- NPRR894, Correction of Unaccounted For Energy (UFE) Formula;
- NPRR895, Inclusion of Photo-Voltaic Generation Resources (PVGRs) in Real-Time Ancillary Service Imbalance Payment or Charge;
- NPRR897, Adjustments to Black Start Service (BSS) Procurement Timeline and Testing;
- NPRR898, Modify Language on Returning Original EPS Metering Site Certification Documents to the TDSP;
- NPRR899, Digital Certificate and User Security Administrator Clarifications and Opt Out Procedure;
- NPRR901, Switchable Generation Resource Status Code – URGENT;
- OBDRR006, Alignment of ORDC OBD with NPRR884, Adjustments to Pricing and Settlement for Reliability Unit Commitments (RUCs) of On-Line Combined Cycle Generation Resources;
- OBDRR007, Revisions to the ORDC Methodology to Include Photo-Voltaic Generation Resources (PVGRs);
- PGRR065, Transmission Project Information and Tracking (TPIT) Reform;
- PGRR066, Interconnection Request Cancellation and Creation of Inactive Status;
- PGRR067, Procedures for Wind and Solar Equipment Change;
- PGRR068, Addition of a Proposed DC Tie to the Planning Models;
- RMGRR155, Related to NPRR889, RTF-1 Replace Non-Modeled Generator with Settlement Only Generator;
- RRGR018, Related to NPRR889, RTF-1 Replace Non-Modeled Generator with Settlement Only Generator;



- RRGR019, Related to NPRR901, Switchable Generation Resource Status Code – URGENT; and
- SCR797, Provide Current Operating Plans (COPs) to TSPs.

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

Chairman Walker thanked the parties involved for their efforts on NPRR901 and recognized Chad Seely for his extensive work thereon.

October 9, 2018 General Session Meeting Minutes (Agenda Item 3)

Chairman Crowell entertained a motion to approve the October 9, 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 (Chairman Crowell).

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 and responded to questions and comments from Board members. He recognized several ERCOT staff members for their contributions on the development of the 2019-2023 Strategic Plan and extended his appreciation to the team for their contributions and great work.

Strategic Plan 2019-2023 Overview (Agenda Item 4.2)

Mr. Magness invited Kristi Hobbs to present the Strategic Plan 2019-2023 Overview. Ms. Hobbs presented a summary of the 2019-2023 Strategic Plan and invited Matt Mereness, Jason Chambers, Mandy Bauld and Debbie Lightener to present additional details on the objectives of the plan. There were no questions from Board members. Chairman Crowell commended the team for their efforts.

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

Beth Garza presented the IMM Report and responded to questions and comments from Board members.

Confirmation of 2019 TAC Representatives (Agenda Item 6)

Chairman Crowell entertained a motion for the confirmation of 2019 TAC Representatives.

Mr. Gresham moved to confirm the 2019 TAC representatives, as presented. Mr. Mercado seconded the motion. The motion passed by unanimous voice vote with no abstentions.

TAC Report (Agenda Item 7)

Bob Helton presented the TAC Report. He reported that TAC had endorsed a boundary threshold of 7.5% for the Far West Weather Zone for the Load review process specified in



Planning Guide Section 3.1.7, Steady State Transmission Planning Load Forecast, as proposed by ERCOT staff, which would be considered by the Board later during General Session (Agenda Item 8). There were no questions or comments from Board members.

Proposed Change to the Boundary Threshold for the Far West Weather Zone (Agenda Item 8)

Calvin Opheim and Mr. Helton presented the Proposed Change to the Boundary Threshold for the Far West Weather Zone. There were no questions or comments from Board Members.

Mr. Pfirrmann moved to approve a boundary threshold of 7.5% for the Far West Weather Zone for the Load review process specified in Planning Guide Section 3.1.7. Carolyn Shellman seconded the motion. The motion passed by unanimous voice vote with no abstentions.

2019 Methodology for Determining Minimum Ancillary Service Requirements (Agenda Item 9)

Sandip Sharma presented the 2019 Methodology for Determining Minimum Ancillary Service Requirements. There were no questions or comments from Board Members.

Clifton Karnei moved to approve the 2019 Methodology for Determining Minimum Ancillary Service Requirements as presented. Mr. Mercado seconded the motion. The motion passed by unanimous voice vote with no abstentions.

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

Vice Chair Judy 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. Vice Chair Walsh commended ERCOT staff on a successful 2018 System and Organization Control audit, which was expected to be issued with an unqualified (clean) opinion and with no internal control testing exceptions. There were no questions or comments from Board members.

Acceptance of 2018 System and Organization Control Audit Report (Agenda Item 10.1)

Vice Chair Walsh moved to accept the 2018 System and Organization Control Audit Report, which was expected to be issued with an unqualified (clean) opinion and with no internal control testing exceptions, as recommended by the F&A Committee. Terry Bulger seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Human Resources and Governance (HR&G) Committee Report 2019 ERCOT Key Performance Indicators (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.



2019 ERCOT Key Performance Indicators (Agenda Item 11.1)

Mr. Pfirrmann moved to approve the 2019 ERCOT Key Performance Indicators as presented. Mr. Cramton seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Notice of ERCOT General Counsel Determination of Affiliate Status Pursuant to October 17, 2017 Board Resolution (Agenda Item 12)

Mr. Seely presented the Notice of ERCOT General Counsel Determination of Affiliate Status Pursuant to October 17, 2017 Board Resolution. There were no questions or comments from the Board members.

Other Business (Agenda Item 13)

No other business was discussed at this time.

Recess for ERCOT Forty-Eighth Annual Membership Meeting

Chairman Crowell recessed the General Session at approximately 10:25 a.m. for the Forty-Eighth Annual Membership Meeting at Austin Marriott South and announced that the Board would convene in Executive Session upon return from the Membership meeting.

Executive Session

Following the Annual Membership Meeting, Chairman Crowell convened Executive Session at approximately 1:00 p.m. Chairman Crowell reconvened General Session at approximately 1:56 p.m.

Vote on Matters from Executive Session (Agenda Item 14)

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

Vice Chair Walsh moved to select the 2019 Independent System and Organization Control Auditor as recommended by the F&A Committee and as discussed during Executive Session. Mr. Bulger seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Adjournment (Agenda Item 15)

Chairman Crowell adjourned the meeting at approximately 1:57 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