



Item 3.1: CEO Update

Bill Magness

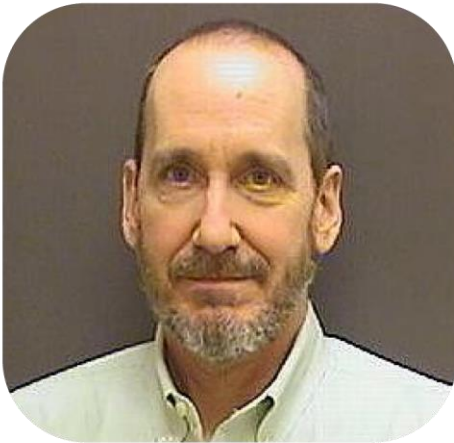
President & Chief Executive Officer
ERCOT

Urgent Board of Directors Meeting

ERCOT Public
October 13, 2020

Summer 2020 Key Observations

- During today's Board meeting, Senior Director of System Operations Dan Woodfin and Director of Settlements, Retail and Credit Mark Ruane will provide an overview of summer 2020.
- ERCOT's comprehensive summer 2020 report was filed with the Public Utility Commission of Texas on Friday, Oct. 9, in Project No. [27706](#).



**Director of
Settlements,
Retail and Credit**

Mark Ruane



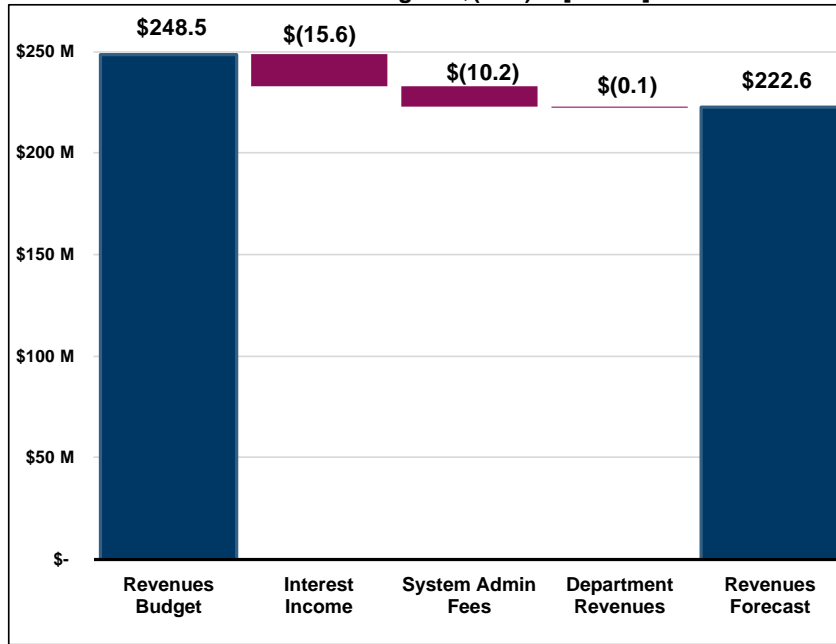
**Senior Director of
System Operations**

Dan Woodfin

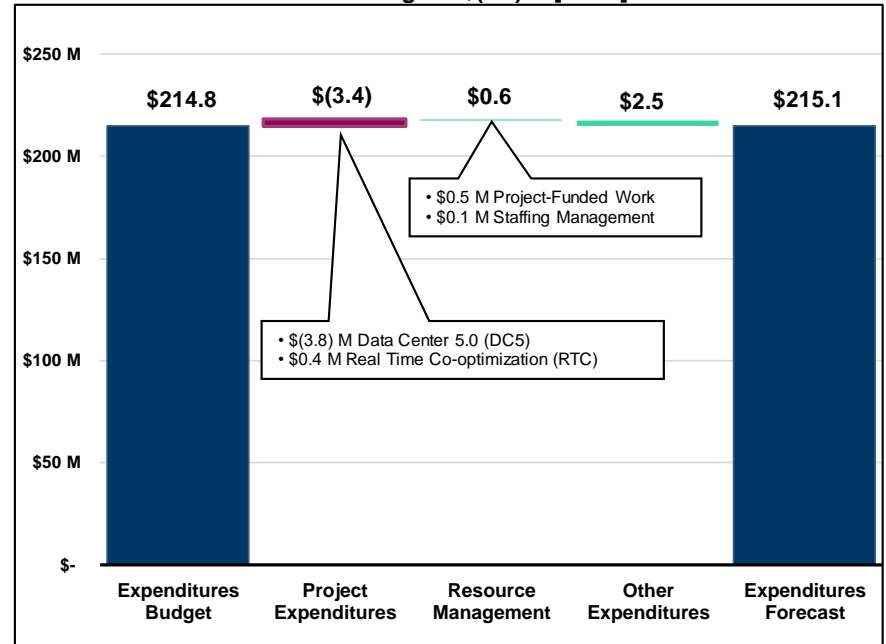
Review 2020 Financial Summary: 2020 Variance to Budget (\$ in Millions)

Net Available Year-End Forecast Variance to Budget = \$(26.2) M

Revenues Year-End Forecast
Variance to Budget = \$(25.9) M [-10.4%]



Expenditures Year-End Forecast
Variance to Budget = \$(0.3) M [-0.1%]



Charts may not foot due to rounding



Major Projects Update

Improve data and information exchange services to ERCOT stakeholders.

Resource Integration & Ongoing Operations (RIOO)	<p>RIOO-RS went live on Sept. 3. This release enables Market Participants to electronically review and edit existing Resource Asset registration data. Additional RARF replacement targets:</p> <ul style="list-style-type: none">• On track for view/update release 2 in November 2020• Additional releases scheduled in 2021
Enterprise Content Management System (ECMS)	<p>Multiple releases planned to complete the ECMS implementation</p> <ul style="list-style-type: none">• MIS soft launch on Sept. 16, 2020, with go-live scheduled for November 2020• ERCOT.com release – releases planned in Q2 & Q4 2021

Complete defined stages of core system and service improvements.

Retail Portfolio Refresh	<p>Trending to meet planned critical milestones</p> <ul style="list-style-type: none">• EDI Map & Translator Replacement and NAESB Application Tech Refresh go-live scheduled for Nov. 2• Retail/wholesale registration system upgrade project in execution, with targeted go-live in Q2 2021
Market Management System/Outage Scheduler (MMS/OS) Tech Refresh	<p>Trending to meet December 2020 go-live</p> <ul style="list-style-type: none">• Q2 – Q4 2020 system and integration testing activities & cutover preparation• Market Operating Test Environment will be available for connection testing by November
Fast Frequency Response (FFR) & ERCOT Contingency Reserve Service (ECRS)	<ul style="list-style-type: none">• FFR advancement – Planning underway, associated NPPR863, NPPR1015, NOGRR187 targeted go-live TBD• ECRS implementation – Working in coordination with RTC team to determine the optimal delivery timeline



Passport Program Next Steps

- As of September 2020, ERCOT staff and stakeholders have drafted more than 700 pages of new and/or revised protocols/market rules for ESRs, DGRs and RTC.
- The protocols for ESRs and RTC will be presented to the ERCOT Board in December 2020 for approval.
 - RTC: NPRRs 1007-1013, NOGRR211 and OBDRR020
 - ESRs: NPRRs 1014 and 1029
 - DGRs: NPRR1016 (approved at August 2020 Board meeting)
- Moving forward, these protocols will be used to draft business requirements for the implementation of the combined projects.
- ERCOT will continue to update the Board on the status of the Passport Program.

Upcoming Fall & Year-End Reports

Oct. 16 – ERCOT
to present summer
2020 overview
at PUC Open
Meeting

Dec. 3 – Release
Capacity,
Demand and
Reserves Report

Late December –
Release Long-Term
System Assessment,
Regional Transmission
Plan and Report on
Existing and Potential
Electric System
Constraints and Needs

Nov. 5 – Release
final winter and
preliminary spring
Seasonal Assessment
of Resource Adequacy
reports

Dec. 8 – Board of
Directors meeting
and Annual
Membership
Meeting



ERCOT Annual Segment Meetings

- Thanks to everyone who attended ERCOT's market segment meetings and provided feedback on the grid operator's plans moving forward.
 - 11 strategic sessions with 140+ participants
- Stakeholders expressed support for maintaining current strategic objectives.
- Stakeholder feedback highlights:
 - Stressed importance of providing status updates on Passport Program implementation
 - Continue to address emerging grid & planning matters (such as those presented at the August 2020 Board meeting)
 - Establish a timeline for next Texas SET implementation
 - Focus on quality assurance
 - Appreciation for ERCOT staff facilitating remote stakeholder process

Board Support in 2020: A Team Effort



From top left:
Vickie Leady, Jon
Levine, Lissette Ruiz,
Penney Ebbs, Mitzie
Mann, Charles King,
Jason Terrell, Mia
Morales, Jason
Chambers, David Bailey
and Suzy Clifton

- The ERCOT team supporting our Board meetings has successfully navigated new challenges in 2020.
 - Bylaws changes
 - Webex and Swagit transitions
 - Manage processes for remote director interviews
- Thanks to Legal, IT, Procurement, Facilities, and Stakeholder Services for the team effort.