



Item 8.6: Policy on Independent Auditor Selection

Sean Taylor

Vice President and Chief Financial Officer

Urgent Finance & Audit Committee Meeting

ERCOT Public

February 8, 2021

Independent Auditor Selection

Finance & Audit Committee Charter Requirement

- The Committee shall establish the Company's policies relating to the solicitation and engagement for independent audit services.

Policies

- Audit Firm Rotation: Select audit firms based on competitive solicitation rather than establish a mandatory audit firm rotation cycle.
- Competitive Solicitation: Solicit audit services at least every six years.
 - In August 2020, ERCOT issued an RFP for independent audit services for the next six-year period.
 - In December 2020, based on the RFP results, the Board selected the independent auditors to perform the 401(k) Savings Plan, Financial Statement, and SOC audits.
- Engagement Partner Rotation: Require engagement partner rotation after no more than five years for the Financial Statement Audit.
 - Aaron Worthman was the engagement partner beginning with the 2015 Financial Statement Audit.
 - Jeff Gendreau is the engagement partner beginning with the 2020 Financial Statement Audit.

