



MEMORANDUM

To: Human Resources and Governance (HR&G) Committee
From: Chad V. Seely, ERCOT Vice President, General Counsel and
Corporate Secretary
Date: April 5, 2021
Re: Item 6 – Review of ERCOT’s Governing Documents and Board Policies and
Procedures

HR&G Committee Charter Requirement for Governing Documents and Board Policies and Procedures

Section 2.b.(1) of the Duties and Responsibilities exhibit (Attachment A) to the HR&G Committee Charter (effective February 9, 2021) provides that annually the HR&G Committee will review proposed modifications to: (i) Certificate of Formation, (ii) Bylaws, or (iii) Board Policies and Procedures.

ERCOT Legal Recommendation

Due to the power outages which occurred in the ERCOT Region during the recent event of Winter Storm Uri in mid-February 2021, the Texas Governor declared the reform of ERCOT as an emergency item for the current 87th Texas Legislature Regular Session (Session). Accordingly, ERCOT’s corporate governance has been the subject of recent Legislative hearings. For this reason, ERCOT Legal recommends the governing documents (that is, Certificate of Formation and Bylaws) and Board Policies and Procedures should not be modified until the Legislature provides final guidance on ERCOT’s Board composition and corporate governance, presumably by the end of the Session.