

March 4, 2021

Via Electronic Delivery and Overnight Delivery

William L. "Bill" Magness [REDACTED]
[REDACTED]

Re: Notice of Termination of Employment Agreement with Electric Reliability Council of Texas, Inc. (ERCOT), effective January 1, 2016, as amended effective January 1, 2019 (Agreement)

Dear Mr. Magness,

As you are aware, the ERCOT Board of Directors has directed me to notify you that ERCOT is hereby exercising its right to terminate the ERCOT Agreement with you after the expiration of 60 days from the receipt of this letter. This right is in conformance with the Employment Term provision in Section 1(a) of the Agreement. During this time of transition, you will continue to serve as the President and Chief Executive Officer of ERCOT and receive the same compensation and benefits as you currently enjoy. Upon the expiration of the 60 days, ERCOT will pay you severance compensation equal to one full year of your current Base Annual Salary as defined in Section 2 of the Agreement.

You have agreed to receive Notice via electronic mail. As such, please confirm receipt of this Notice by responding via electronic mail to me at [REDACTED] today so that ERCOT may calculate the expiration of 60 days.

Please let me know if you have any questions or comments.

Sincerely,

/s/ Chad V. Seely

Chad V. Seely
Vice President, General Counsel and
Corporate Secretary