

ERCOT BOARD MEETING
APRIL 13, 2021
ITEM NO. 9
ERCOT DECISION REGARDING EXITING ENERGY EMERGENCY ALERT (EEA)
LEVEL 3 ON OPERATING DAYS FEBURARY 18 AND 19, 2021

INTRODUCTION: ERCOT BOARD AND MARKET PARTICIPANTS/SEGMENTS

A. COMPOSITION OF ERCOT BOARD OF DIRECTORS

- The ERCOT Board of Directors consists of 16 individuals, 15 of which are voting members.
 - (The PUC Chairman is an *ex officio* Board Member, however, unlike the Office of Public Utility Council’s Public Council (agency head) *ex officio* Board Member who is entitled to vote, the PUC Chairman does is a non-voting member.
- There are seven (7) ERCOT Segments of market participants. They are highlighted in light blue. Each ERCOT Segment is permitted one Board Member with one vote, except for the Consumer Segment which has 3 Board Directors with one vote per Director. There are a total of 9 votes within the Segment Board Members
- Five (5) Unaffiliated Board Members (currently selected by the Board Nominations Committee and approved by the PUC) provide for a “hybrid” board consisting of stakeholders and completely independent/unaffiliate members preferably residing in the State of Texas.
- The CEO of ERCOT also serves as a voting Board Member.

B. ERCOT SEGMENT BOARD MEMBERS (7) (9 total votes)

Only the ERCOT Segments have Segment Alternates (which serve in the absence of the Segment Director).

	Technical Advisory Subsegment		ERCOT SEGMENT REPRESENTATIVE	SEGMENT ALTERNATE
CONSUMERS	Residential		OPUC Public Council Lori Cobos	
	Small Commercial (≤ 1 MW)	Commercial	Nick Fehrenbach (City of Dallas)	Jennifer Riche (City of Waco)
	Large Commercial (> 1MW)			
	Industrial		Sam Harper (Gerdau Steel)	Glen Lyons (ExxonMobil Power & Gas)
LSEs				
LOAD-SERVING ENTITIES [100% of the Customer-facing entities in all of ERCOT]	Electric Cooperatives (Coops)	Includes Generating & Transmission Coops (G&T Coops) and Member Coops of G&T Coops	Julie Parsley (Pedernales Electric Cooperative – PEC)	Mike Kezar (South Texas Electric Cooperative - STEC)
	Retail Electric Providers (REPs)		Shannon K. McClendon (Demand Control 2)	Jim Brown (Just Energy)
	Municipally-owned Utilities (Munis)		Tom Hancock (Garland Power & Light)	Ian Taylor (New Braunfels Utilities)
Investor-Owned Utilities IOUs/ TDSPs	Oncor, CenterPoint, AEP, TNMP	regulated by the PUC and defines the retail competitive areas	Mark Carpenter (Oncor)	Wade Smith (AEP)

Independent Generators	Fossil-fueled (coal & natural gas)	Kevin Gresham (RWE Renewables)	Steven Schleimer (Calpine)
	Nuclear		
	Cogens		
	Renewables (Wind, Bio-fuel, Solar, & H ₂ O)		
	Battery Storage		
Independent Power Marketers	Entities that buy & sell @ wholesale	Keith Emery (Tenaska)	Kevin Bunch (EDF N.A.)
	Financial Institutions		

C. UNAFFILIATED ERCOT BOARD MEMBERS (5 votes)

There are five (5) Unaffiliated Board Members positions. All 5 have been VACATED.

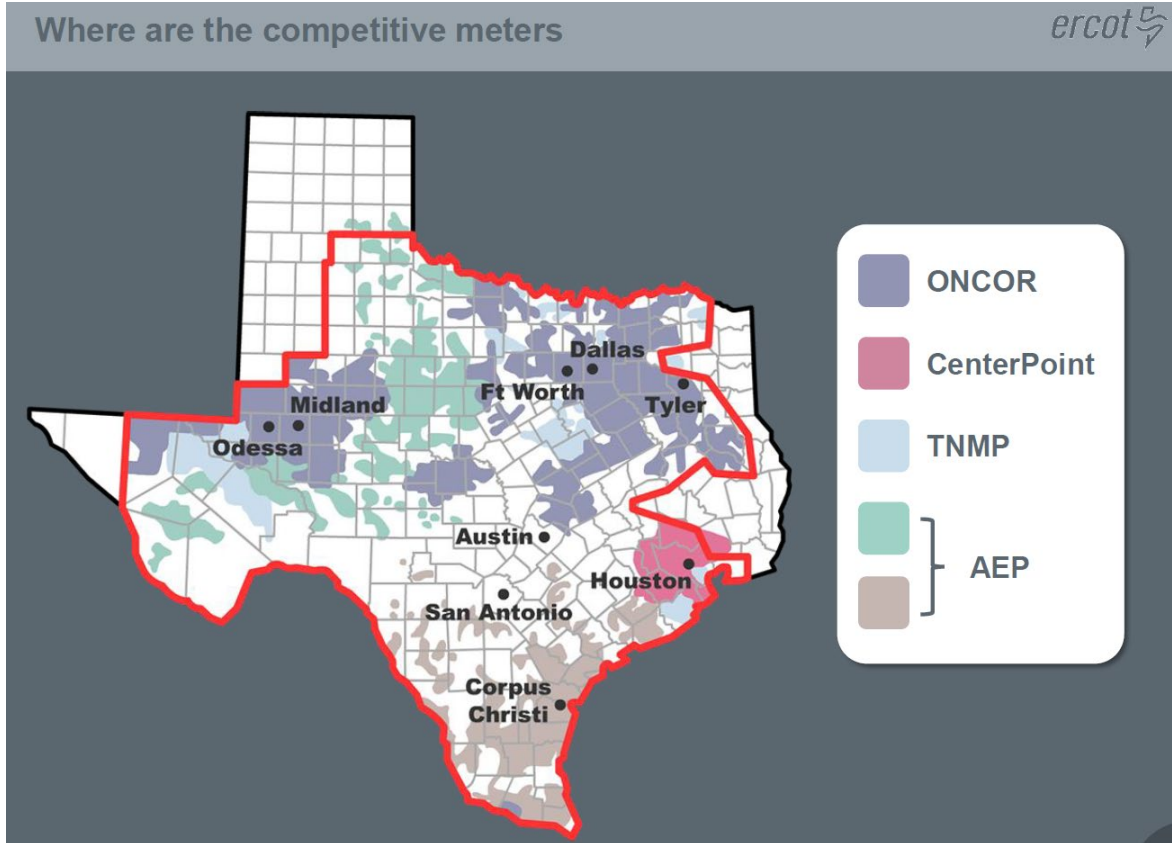
- One must serve as the **CHAIR of the Board**
- One must serve as the **VICE CHAIR of the Board**

D. OTHER BOARD MEMBERS (1 total vote)

1. PUC Chairman – *ex officio* – NON-VOTING – **Arthur D’Andrea**
2. CEO of ERCOT – **Bill Magness**

E. ERCOT

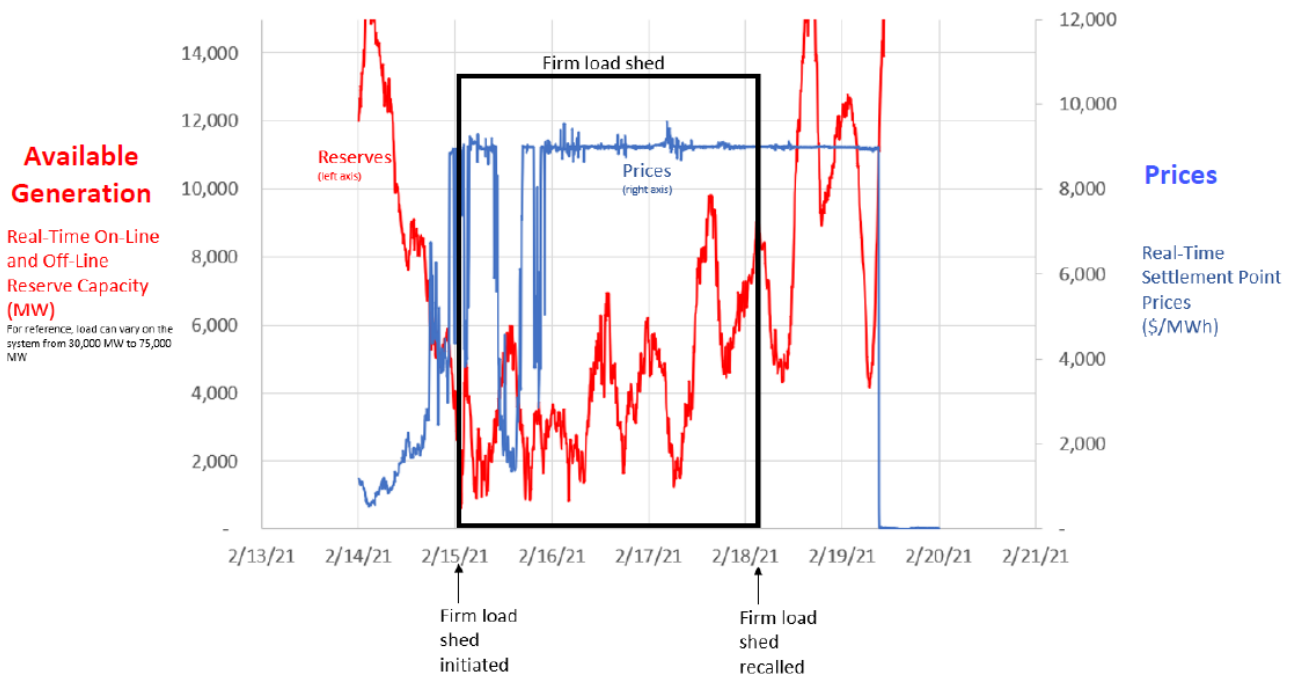
1. **Geographically** – the red outline identifies the boundary of ERCOT, as the Independent System Operator, wherein all or a portion of a Texas County is included in ERCOT. ERCOT serves about 90% of the load in the State of Texas.



2. **TDSPs** – As noted above in the Board Member chart, the four (4) Transmission and Distribution Service Providers (aka Investor-Owned Utilities (IOUs)) are color-coded to identify each of the TDSP's service territory. The TDSPs serve about 75% of the load in ERCOT.
3. **Retail competition is open in all the colored areas of this map within the red boundary.** The Retail Electric Providers serve about 75% of the load in Texas.
4. **Generally, the munis and cooperatives are in the white areas within ERCOT.**

INTRODUCTION: MARKET PRICING EVENTS TIMELINE

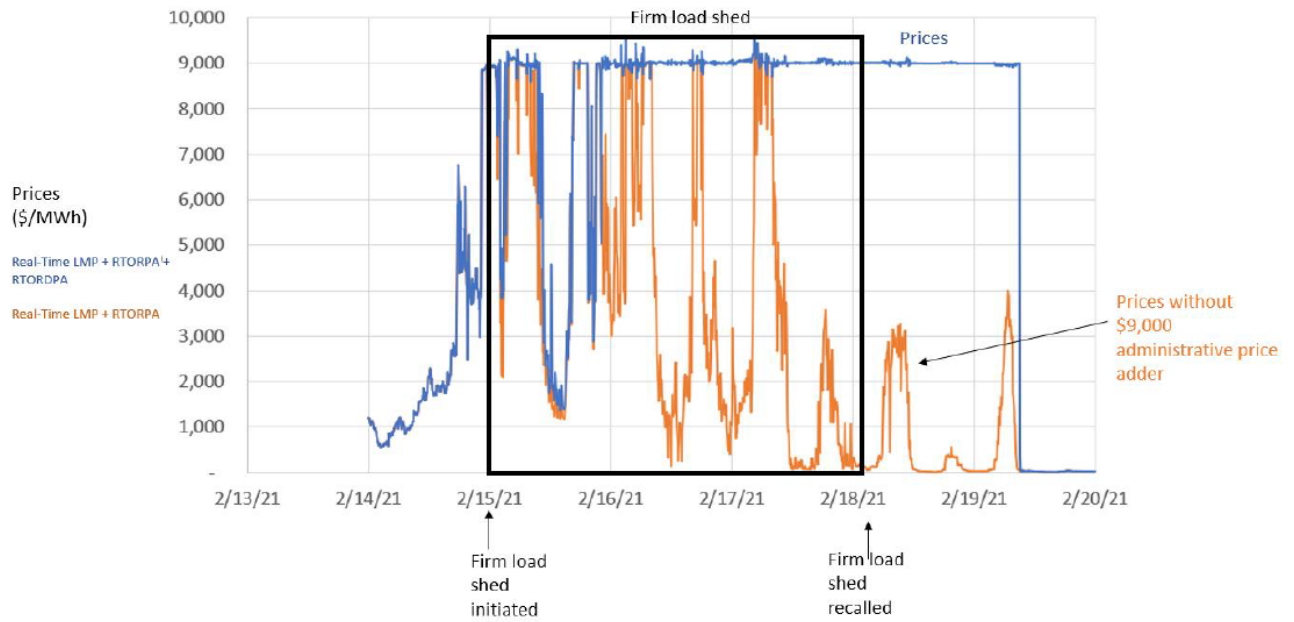
ERCOT Reserves and Prices, Feb 14-19, 2021



Data source=ERCOT.

ERCOT PRICES WITH AND WITHOUT OUT OF MARKET ADDER

ERCOT Reserves and Prices, Feb 14-19, 2021



Data source = ERCOT

**REGARDING IMM RECOMMENDATIONS
FOR THE 2021 ERCOT SEVERE WEATHER EVENT**

INTRODUCTION: IMM RECOMMENDATIONS

Recommendation # & Date of Recommendation	Effective Operating Date(s)	Recommendation	Action	
#1 3/1/2021	2/15- 2/20 @ 0105 hours	Ancillary Service prices should be capped at \$9000/MW ¹	<i>None- pending</i> No PUC Action (discussed at 3/3/ & 3/5 Open Meetings)	
#2 3/1/2021	2/14 - 2/19	Do not pay market participants that failed to provide ancillary services ²	<i>PUC Order Adopting Recommendation</i> Ordered at 3/3 Open Meeting	ERCOT 4/12/21
#3 3/4/2021	2/18 @ 0000 hours ³ through 2/19 @ 09:00	Correct real-time prices because PUC Ordered dated 2/15 was for \$9,000/MW during EEA3/loadshed ⁴	<i>None- pending</i> No PUC Action (discussed 3/5 Open Meetings)	

¹ Ancillary Services should never be greater than the value of lost load.

² This is called unprovided for Ancillary Services.

³ ERCOT Staff states it cancelled last controlled outage orders on 2/18 at 12:42 a.m. IMM states ERCOT instructed the TDUs to stopped load shed on 2/17 at 2355 hours (11:55 p.m.).

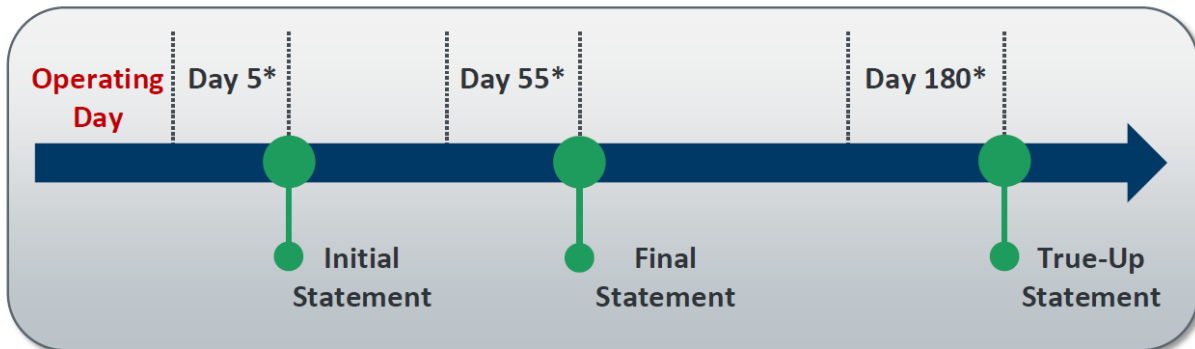
⁴ In other words, when the system is not in shortage and the load is being served (and ERCOT was not giving load shed instructions), the price should NOT include the administrative price adders that set the real-time settlement point price at \$9,000.

DEADLINES FOR SETTLEMENTS

Real-Time: Statements



Real-Time Settlement Timeline



*Must be a Business Day or move to next Business Day