



**DRAFT GENERAL SESSION MINUTES OF THE
URGENT BOARD OF DIRECTORS MEETING OF
ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.**

Electric Reliability Council of Texas, Inc.
Urgent Board of Directors Meeting By Teleconference
February 9, 2021 at 9:00 a.m.

Pursuant to notice duly given, the urgent meeting of the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT), convened via teleconference on the above-referenced date.

Meeting Attendance:

Board Members:

Director	Affiliation	Segment
Anesetti-Parra, Vanessa	Just Energy Texas LP	Independent Retail Electric Provider
Bulger, Terry	Unaffiliated	Unaffiliated Director
Carpenter, Mark	Oncor Electric Delivery Company	Investor-Owned Utility
Cobos, Lori	Office of Public Utility Counsel (OPUC)	Consumer – Residential
Cramton, Peter (Vice Chair)	Unaffiliated	Unaffiliated Director
Emery, Keith	Tenaska Power Services Co.	Independent Power Marketer
Gresham, Kevin	RWE Renewables Americas, LLC	Independent Generator (<i>Not Present for Agenda Items 15 – 16</i>)
Harper, Sam	Chaparral Steel Midlothian, LP	Consumer – Industrial
Hepper, Raymond	Unaffiliated	Unaffiliated Director
Karnei, Clifton	Brazos Electric Power Cooperative, Inc.	Cooperative (<i>Proxy for Nick Fehrenbach</i>)
Magness, Bill	ERCOT	President and Chief Executive Officer (CEO)
Sargent, Jackie	Austin Energy	Municipal
Talberg, Sally (Chair)	Unaffiliated	Unaffiliated Director
Walker, DeAnn	Public Utility Commission of Texas (PUCT, Commission)	Chair



Segment Alternates and Guests:

Bauld, Mandy	ERCOT Senior Director of Project Management Office
Bivens, Carrie	Potomac Economics, ERCOT Independent Market Monitor (IMM), Director
Blakey, Eric	Just Energy Texas LP, Technical Advisory Committee (TAC) Vice Chair
Botkin, Shelly	PUCT Commissioner
Bunch, Kevin	EDF Trading North America LLC (Independent Power Marketer Segment Alternate)
D'Andrea, Arthur	PUCT Commissioner
Day, Betty	ERCOT Vice President of Security and Compliance and Chief Compliance Officer
Hobbs, Kristi	ERCOT Director of Enterprise Risk Management and Strategic Analysis
Lange, Clif	South Texas Electric Cooperative Inc., TAC Chair
Leady, Vickie	ERCOT Assistant General Counsel and Assistant Corporate Secretary
Levine, Jonathan	ERCOT Senior Corporate Counsel
Lyons, Glen	ExxonMobil Power and Gas Services, Inc. (Consumer – Industrial Segment Alternate)
Mereness, Matt	ERCOT Senior Director of Passport Program Implementation
Miller, Randal	Southern Federal Power, LLC (Independent Retail Electric Provider Segment Alternate)
Ögelman, Kenan	ERCOT Vice President of Commercial Operations
Parakkuth, Jayapal	ERCOT Vice President and Chief Information Officer
Rickerson, Woody	ERCOT Vice President of Grid Planning and Operations
Schleimer, Steven	Calpine Corporation (Independent Generator Segment Alternate)
Seely, Chad V.	ERCOT Vice President, General Counsel and Corporate Secretary
Smith, Wade	American Electric Power Service Corporation (Investor-Owned Utility Segment Alternate)
Spak, Mara	ERCOT Vice President of Human Resources
Tamby, Jeyant	ERCOT Senior Vice President and Chief Administrative Officer
Taylor, Ian	New Braunfels Utilities (Municipal Segment Alternate)
Taylor, Sean	ERCOT Vice President and Chief Financial Officer

Call General Session to Order, Announce Proxies and Segment Alternates (Agenda Item 1)

Bill Magness determined that a quorum was present and called the urgent Board meeting to order at approximately 9:00 a.m. Mr. Magness welcomed everyone to the first Board meeting of the year.

Mr. Magness recognized DeAnn Walker, Chair of the PUCT. Chair Walker called an Open Meeting of the Commission to order to consider matters which had been duly posted with the Texas Secretary of State for February 9, 2021.



Chad V. Seely, ERCOT Vice President, General Counsel and Corporate Secretary, conducted a roll call of Directors and Segment Alternates, and confirmed a quorum was present.

Mr. Magness recognized the following new Directors: Sally Talberg and Raymond Hepper, both Unaffiliated Directors who joined the Board on January 1, 2021; Keith Emery who was now serving as the Independent Power Marketer Segment Director; Vanessa Anesetti-Parra, who joined the Board as the Independent Retail Electric Provider Segment Alternate on January 1, 2021, but was elected as the Independent Retail Electric Provide Segment Director on January 18, 2021, following Ned Ross' resignation on January 11, 2021. He also introduced the following new Segment Alternates: Kevin Bunch, Independent Power Marketer Segment Alternate, who had been serving on the Board since January 1, 2021, and Randal Miller, Independent Retail Electric Provider Segment Alternate, who had been serving on the Board since January 22, 2021, following former Segment Alternate Ms. Anesetti-Parra's election as the IREP Segment Director.

Mr. Magness addressed certain administrative matters and reminded everyone that all meeting materials may be found on ERCOT's website, that is, at ERCOT.com/committee/board at the meeting link for February 9, 2021 under "Key Documents." Mr. Magness noted the antitrust and security admonitions and announced ERCOT had outlined the reason for this urgent Board meeting in ERCOT's *Notice of February 8 and February 9, 2021 Urgent Teleconference Meetings of the ERCOT Finance and Audit Committee, Human Resources and Governance Committee, Nominating Committee, and Board of Directors*, which was filed with the Commission on Monday, February 1, 2021, in Project Nos. 50664 and 27706. He also noted that ERCOT had provided instructions for public comment on the agenda for this meeting, which was posted publicly on Tuesday, February 2, 2021, and that to date, no person had requested to provide public comment.

Mr. Magness announced that Nick Fehrenbach, Consumer – Commercial Segment Director, had provided his proxy to Cooperative Segment Director Clifton Karnei.

Mr. Magness reminded the Board that the Bylaws require the Board to ratify any actions taken at an urgent Board meeting by teleconference at its next regularly scheduled meeting. He addressed the following Agenda Items in the order below.

Election of Board Leadership; Election of Board Chair; Election of Board Vice Chair (Agenda Items 2, 2.1 and 2.2)

Mr. Magness entertained nominations for Board Chair and Board Vice Chair.

Terry Bulger nominated Sally Talberg as Board Chair and Peter Cramton as Board Vice Chair. Jackie Sargent seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Mr. Magness turned the meeting over to Chair Talberg.

Chair Talberg acknowledged new Board members and thanked current and former Board members for sharing their insight, ERCOT staff for their onboarding efforts, and the ERCOT



Members and Commissioners for supporting her election. She discussed her priorities as Board Chair, and invited new Board members to comment as well.

Vice Chair Cramton expressed gratitude for his election as Vice Chair and shared his excitement of continuing to work with the Commission, Market Participants, the Board, and ERCOT staff.

Mr. Hepper thanked Chair Talberg for her comments, and thanked ERCOT Board members and the Commission for selecting and approving him as Unaffiliated Director. Mr. Hepper also thanked his colleagues for selecting him as Human Resources and Governance (HR&G) Committee Chair.

Ms. Anesetti-Parra congratulated Chair Talberg and Vice Chair Cramton on their elections. She expressed her appreciation for the opportunity to serve on the Board.

Chair Talberg addressed the following Agenda Items in the order below.

Committee Member Preferences and Assignments (Agenda Item 3)

Chair Talberg noted the Committee Member Preferences and Assignments for the Finance and Audit (F&A), HR&G, and Nominating Committees in the meeting materials. She reported that the F&A and HR&G Committees consist of seven and six members, respectively. There were no requested changes to the Committee assignments.

Confirmation of Technical Advisory Committee (TAC) Chair and Vice Chair for 2021 (Agenda Item 4)

Chair Talberg reported that Clif Lange, South Texas Electric Cooperative Inc. (STEC) and Eric Blakey, Just Energy Texas LP, were elected by the TAC Representatives as the 2021 TAC Chair and Vice Chair, respectively. She entertained a motion for the confirmation of the TAC Chair and Vice Chair.

Kevin Gresham moved to confirm Clif Lange of STEC as 2021 TAC Chair and Eric Blakey of Just Energy Texas LP as 2021 TAC Vice Chair. Vice Chair Cramton seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Consent Agenda; Unopposed Revision Requests Recommended by Technical Advisory Committee (TAC) for Approval (Agenda Items 5, 5.1, and 5.1.1 – 5.1.16)

Chair Talberg presented the Consent Agenda. Mr. Magness reviewed the cost impacts of the Revision Requests on the Consent Agenda. There were no questions or comments from Board members.

Chair Talberg entertained a motion for the approval of the Consent Agenda as follows:

- NPRR1024, Determination of Significance with Respect to Price Correction;
- NPRR1034, Frequency-Based Limits on DC Tie Imports or Exports;
- NPRR1040, Compliance Metrics for Ancillary Service Supply Responsibility;
- NPRR1044, Enhancement of SSR Mitigation Requirement;
- NPRR1048, Clarification on NPRR978 Short-Term Adequacy Reports;



- NPRR1049, Management of DC Tie Load Zone Modifications;
- NPRR1050, Change to the Summer Commercial Operations Date Deadline for Including Planned Generation Capacity in Reports on the Capacity, Demand and Reserves in the ERCOT Region;
- NPRR1051, Removal of the Price Floor Applied to Day-Ahead Settlement Point Prices;
- NPRR1052, Load Zone Pricing for Settlement Only Storage Prior to NPRR995 Implementation;
- NPRR1053, BESTF-9 Exemption from Ancillary Service Supply Compliance Requirements for Energy Storage Resources Affected by EEA Level 3 Charging Suspensions;
- NPRR1054, Removal of Oklaunion Exemption Language;
- PGRR085, Dynamic Model Improvements;
- PGRR086, Related to RRGRR027, Clarify Models Required to Proceed with an FIS;
- PGRR087, Remedial Action Scheme Planning Assumptions;
- RRGRR027, Clarify Models Required to Proceed with an FIS; and
- SMOGRR024, Implement NPRR1020 – URGENT.

Mr. Karnei moved to approve the Consent Agenda as presented. Mark Carpenter seconded the motion. The motion passed by unanimous voice vote with no abstentions.

December 8, 2020 General Session Urgent Meeting Minutes (Agenda Item 6)

Chair Talberg entertained a motion to approve the December 8, 2020 General Session Urgent Meeting Minutes (Minutes).

Mr. Carpenter moved to approve the Minutes as presented. Mr. Gresham seconded the motion. The motion passed by unanimous voice vote with three abstentions (Ms. Anesetti-Parra, Mr. Hepper and Chair Talberg).

Chief Executive Officer (CEO) Presentation; CEO Update (Agenda Items 7 and 7.1)

Mr. Magness presented the CEO Update. He welcomed everyone to the first Board meeting of 2021. Mr. Magness reported that a cold front was expected to move through the ERCOT Region during the next week and that ERCOT was expected to hit its winter peak demand later in the week or early next week. He added that Operations staff had issued an Operating Condition Notice (OCN) as a reminder to resources to be prepared. Mr. Magness highlighted recent events and end-of-year reports. He thanked staff members involved for their efforts with the new MET Center facility. Mr. Magness reported the new facility is expected to be completed at the end of 2021. Mr. Magness responded to questions and comments from Board members.

2021 Major Projects Update (Agenda Item 7.2)

Mandy Bauld presented the 2021 Major Projects Update. Ms. Bauld responded to questions and comments from Board members.

Passport Program Update (Agenda Item 7.3)

Mr. Magness commented on Passport Program governance and risk, and introduced Matt Mereness, who presented the Passport Program Update. Mr. Mereness and Kenan Ögelman



responded to questions and comments from Board members. Vice Chair Cramton commended the team and stakeholders for their efforts in addressing challenges for this process.

Independent Market Monitor (IMM) Report (Agenda Item 8)

Carrie Bivens presented the IMM Report and responded to questions and comments from Board members.

TAC Report; Non-Unanimous Revision Requests Recommended by TAC for Approval; NPRR994, Clarify Generator Interconnection Neutral Project Classification (Agenda Items 9, 9.1 and 9.1.1)

Clif Lange, TAC Chair, thanked the Board for its support in confirming him and Eric Blakey as 2021 TAC Chair and Vice Chair, respectively.

Mr. Lange presented the TAC Report. There were no questions or comments from Board members.

Mr. Lange presented NPRR994, Clarify Generator Interconnection Neutral Project Classification, as recommended by TAC for Board approval. There were no questions or comments from Board members.

Chair Walker and Mr. Magness reported that ERCOT and stakeholders discussed expectations for summer preparedness at the January 27, 2021 TAC meeting, and that Chair Walker did not plan to hold separate summer preparedness meetings with each Market Segment as had been done in the past, mainly on account of the pandemic. Chair Talberg noted that TAC meetings are webcast live and archived for public viewing on the ERCOT website.

Mr. Carpenter moved to approve NPRR994 as recommended by TAC in the January 27, 2021 TAC Report. Mr. Hepper seconded the motion. The motion passed by voice vote with no abstentions.

Recess for February 9, 2021 ERCOT Urgent Nominating Committee Meeting

Chair Talberg recessed the General Session at approximately 11:19 a.m. for the ERCOT Urgent Nominating Committee Meeting (Nominating Committee Meeting) and announced that the Board would reconvene in General Session upon the conclusion of the Nominating Committee Meeting. Following the Nominating Committee Meeting, Chairman Talberg reconvened General Session at approximately 11:57 a.m.

Finance and Audit (F&A) Committee Report; F&A Committee Charter; Market Credit Risk Corporate Standard; Financial Corporate Standard; Investment Corporate Standard (Agenda Items 10 and 10.1 – 10.4)

Mr. Bulger, F&A Committee Chair, reported that the F&A Committee met the prior day and highlighted items discussed at the F&A Committee meeting. Mr. Bulger reported that he was elected as F&A Committee Chair and Clifton Karnei was elected as F&A Committee Vice Chair. There were no questions or comments from Board members.



Mr. Bulger moved to approve the F&A Committee Charter, Market Credit Risk Corporate Standard, Financial Corporate Standard, and Investment Corporate Standard, each as recommended by the F&A Committee. Mr. Karnei seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Human Resources and Governance (HR&G) Committee Report; HR&G Committee Charter; Election of Chief Executive Officer and Ratification of Officers (Agenda Items 11, 11.1 and 11.2)

Mr. Hepper, HR&G Committee Chair, reported that the HR&G Committee met the prior day and highlighted items discussed at the HR&G Committee meeting. Mr. Hepper reported that he was elected as HR&G Committee Chair and Lori Cobos was elected as HR&G Committee Vice Chair. There were no questions or comments from Board members.

Mr. Hepper moved to: (1) approve the HR&G Committee Charter; and (2) elect the CEO and ratify officers, each as recommended by the HR&G Committee. Ms. Cobos seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Proposed 2022 ERCOT Board Meeting and Annual Meeting Schedule (Agenda Item 11.3)

Mr. Hepper presented the Proposed 2022 ERCOT Board Meeting and Annual Meeting Schedule and reminded Board members that this matter was expected to be voted upon at the April 2022 Board meeting. There were no questions or comments from Board members.

Nominating Committee Report; Call for Special Meeting of ERCOT Corporate Members for Election of Unaffiliated Director (Agenda Items 12 and 12.1)

Chair Talberg, who also serves as Nominating Committee Chair, reported that the Nominating Committee met earlier in the day and voted to select Mr. Cramton as an Unaffiliated Director candidate for his third three-year term upon the expiration of his second term. There were no questions or comments from Board members.

Chair Talberg moved to approve the calling of a Special Meeting of ERCOT Corporate Members for the election of an Unaffiliated Director as presented. Ms. Sargent seconded the motion. The motion passed by unanimous voice vote with no abstentions. Mr. Seely reviewed the timeline for the Special Meeting of ERCOT Corporate Members and PUCT approval process.

2020 Internal Revenue Service Form 990 Questionnaire (Agenda Item 13)

Sean Taylor presented the 2020 Internal Revenue Service (IRS) Form 990 Questionnaire and schedule for filing ERCOT's 2020 IRS Form 990. He noted the requested completion deadline of April 13, 2021. There were no questions or comments from Board members.

Other Urgent Business (Agenda Item 14)

No other urgent business was discussed at this time.



Executive Session; Vote on Matters from Executive Session; and Adjournment (Agenda Items 15 and 16)

Chair Talberg announced that no voting items from Executive Session were expected; accordingly, she would adjourn the meeting immediately upon conclusion of Executive Session. Chair Talberg recessed General Session for break at approximately 12:07 p.m. to convene Executive Session at approximately 12:17 p.m.

There were no voting items from Executive Session.

Chair Talberg adjourned the meeting upon the conclusion of Executive Session at approximately 2:12 p.m.

Board materials and presentations from the meeting are available on ERCOT's website at <http://www.ercot.com/committees/board>.

Vickie G. Leady
Assistant Corporate Secretary