GENERAL SESSION MINUTES OF THE URGENT FINANCE & AUDIT COMMITTEE MEETING OF ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.

Electric Reliability Council of Texas, Inc.
Urgent Finance & Audit Committee Meeting By Teleconference
April 12, 2021

Pursuant to notice duly given and after determination that a quorum was present, the urgent meeting of the Finance & Audit (F&A) Committee of the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) convened via teleconference on the above-referenced date.

Meeting Attendance:

Committee Members:

Director	Affiliation	Segment
Fehrenbach, Nick (Chairman)	City of Dallas	Consumer – Commercial
Gresham, Kevin	RWE Renewables Americas LLC	Independent Generator
Hancock, Tom	Garland Power and Light	Municipal
McClendon, Shannon	Demand Control 2, LLC	Independent Retail Electric Provider
Parsley, Julie (Vice Chair)	Pedernales Electric Cooperative, Inc.	Cooperative

Guest Board Members and Segment Alternates:

Director/ Segment Alternate	Affiliation	Segment
Brown, Jim	Just Energy Texas LP	Independent Retail Electric Provider Segment Alternate
Bunch, Kevin	EDF Trading North America LLC	Independent Power Marketer Segment Alternate
Carpenter, Mark	Oncor Electric Delivery Company	Investor-Owned Utility
Emery, Keith	Tenaska Power Services Co.	Independent Power Marketer
Harper, Sam	Chaparral Steel Midlothian, LP	Consumer – Industrial
Kezar, Mike	South Texas Electric Cooperative Inc.	Cooperative Segment Alternate *(Not Present for Agenda Items 1 – 4)*
Lyons, Glen	ExxonMobil Power and Gas Services, Inc.	Consumer – Industrial Segment Alternate

Magness, Bill	ERCOT	President and Chief Executive Officer (CEO)
Richie, Jennifer	City of Waco	Consumer – Commercial Segment Alternate
Smith, Wade	American Electric Power Service Corporation	Investor-Owned Utility Segment Alternate
Taylor, Ian	New Braunfels Utilities	Municipal Segment Alternate *(Not Present for Agenda Items 1 – 4)*

Officers and Guests:

Day, Betty	ERCOT Vice President of Security and Compliance and Chief Compliance Officer
Leady, Vickie	ERCOT Assistant General Counsel and Assistant Corporate Secretary
Levine, Jonathan	ERCOT Senior Corporate Counsel
Martin, Loretto	NRG Texas Power LLC/Direct Energy, Credit Work Group (CWG) Chair
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
Ruane, Mark	ERCOT Senior Director of Settlements Retail and Credit
Rychetsky, Penny	ERCOT Director of Internal Audit
Seely, Chad V.	ERCOT Vice President, General Counsel and Corporate Secretary
Spak, Mara	ERCOT Vice President of Human Resources
Tamby, Jeyant	ERCOT Senior Vice President and Chief Administrative Officer
Taylor, Sean	ERCOT Vice President and Chief Financial Officer
Wiley, Leslie	ERCOT Treasurer

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

Chad Seely, ERCOT Vice President, General Counsel and Corporate Secretary, determined that a quorum was present and called the urgent F&A Committee General Session meeting to order at approximately 9:00 a.m. Mr. Seely conducted a roll call of Committee members, guest Board members and Segment Alternates and confirmed that a quorum was present.

Mr. Seely welcomed three new Committee Members: Tom Hancock, Municipal Segment Director; Shannon McClendon, Independent Retail Electric Provider Segment Director; and Julie Parley, Cooperative Segment Director. He also welcomed Jim Brown, new Independent Retail Electric Provider Segment Alternate.

Mr. Seely addressed certain administrative matters and reminded everyone that all meeting materials may be found on ERCOT's website, that is, at ERCOT.com/committees/board/finance_audit/ at the meeting link for April 12, 2021 under "Key Documents." Mr. Seely noted the antitrust and security admonitions and announced that ERCOT had outlined the reason for this urgent F&A Committee meeting in ERCOT's *Notice of April 12 and April 13, 2021*

Urgent Teleconference Meetings of the ERCOT Finance and Audit Committee, Human Resources and Governance Committee, and Board of Directors, which was filed on Monday, April 5, 2021, in Project Nos. 50664 and 51878 at the Public Utility Commission of Texas (PUCT). He also noted that ERCOT had provided instructions for written public comment on the agenda for this meeting, which was posted publicly on Monday, April 5, 2021, and that to date, no written public comments had been received.

Committee Membership (Agenda Item 2)

Mr. Seely presented the Committee Membership list and announced that as of February 25, 2021, no Unaffiliated Directors have served on the Board, and accordingly the Committee is not able to meet the F&A Committee Charter (Charter) requirement that the Committee be comprised of at least two Unaffiliated Directors. He explained that ERCOT Legal recommended that any modifications to the Charter be addressed after the end of the current 87th Texas Legislature Regular Session so it will be known what governance issues the Texas Legislature has addressed, but also recommended that the Committee continue to meet and conduct business to fulfill the remaining Charter requirements. There were no questions or comments from Committee members

Election of Committee Leadership; Committee Chair; Committee Vice Chair (Agenda Item 3, 3.1 and 3.2)

Mr. Seely entertained nominations for Committee Chair.

Ms. McClendon nominated Nick Fehrenbach as Committee Chair. Mr. Hancock seconded the motion. The motion passed by unanimous voice vote with no abstentions.

With the election of Mr. Fehrenbach as Committee Chairman, Mr. Seely handed the meeting over to Chairman Fehrenbach. Chairman Fehrenbach entertained nominations for Committee Vice Chair.

Ms. McClendon nominated Julie Parsley as Committee Vice Chair. Mr. Hancock seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Chairman Fehrenbach addressed the following Agenda Items in the order below.

Status of the 2020 Financial Statements Audit (Agenda Item 4)

Sean Taylor presented the Status of the 2020 Financial Statements Audit. Mr. Taylor and Mr. Seely responded to questions and comments from Committee members.

Status of the 2022-2023 Biennial Budget Request (Agenda Item 5)

Mr. Taylor presented the Status of the 2022-2023 Biennial Budget Request and responded to questions and comments from Committee members.

Periodic Report on Credit Work Group Activity (Agenda Item 6)

Loretto Martin presented the Periodic Report on Credit Work Group Activity. Ms. Martin and Mark Ruane responded to questions and comments from Committee members.

Committee Briefs (Agenda Item 7)
Chairman Fehrenbach invited Mr. Taylor and Leslie Wiley to present the Committee Briefs.

Review 2021 Financial Summary (Agenda Item 7.1)
Mr. Taylor presented the 2021 Financial Summary and responded to questions and comments from Committee members.

Periodic Report on Investments (Agenda Item 7.2)
Ms. Wiley presented the Periodic Report on Investments. There were no questions and comments from Committee members.

Future Agenda Items (Agenda Item 8)
Mr. Taylor presented the Future Agenda Items. There were no questions or comments from Committee members.

Other Urgent Business (Agenda Item 9)
No other urgent business was discussed at this time.

Executive Session; Vote on Matters from Executive Session; Adjournment (Agenda Items 7 and 8)
Chairman Fehrenbach announced that no voting items from Executive Session were expected; accordingly, he would adjourn the meeting immediately upon conclusion of Executive Session.

Chairman Fehrenbach recessed General Session at approximately 10:26 a.m. to convene Executive Session at approximately 10:38 a.m.

There were no voting matters from Executive Session.

Chairman Fehrenbach adjourned the meeting upon conclusion of Executive Session at approximately 11:30 a.m.

Jonathan Levine
Senior Corporate Counsel