



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

Electric Reliability Council of Texas, Inc.
7620 Metro Center Drive, Room 206
Austin, Texas 78744
October 22, 2021 at 9:00 a.m.

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

Meeting Attendance:

Board Members:

Director	Affiliation/Role	Director Category
Aguilar, Carlos	N/A	Independent Director (voting)
Ekoh, Chris	Office of Public Utility Counsel (OPUC), Interim Public Counsel	<i>Ex Officio</i> (voting)
Foster, Paul (Chair)	N/A	Independent Director (voting)
Jones, Brad	ERCOT, Interim President and Chief Executive Officer (CEO)	<i>Ex Officio</i> (non-voting)
Lake, Peter	Public Utility Commission of Texas (PUCT, Commission), Chairman	<i>Ex Officio</i> (non-voting)

Guests:

Blakey, Eric	Just Energy Texas LP, Technical Advisory Committee (TAC) Vice Chair
Cobos, Lori	PUCT Commissioner
Day, Betty	ERCOT Vice President of Security and Compliance and Chief Compliance Officer
Glotfelty, Jimmy	PUCT Commissioner (<i>Via Teleconference</i>)
Lange, Clif	South Texas Electric Cooperative Inc., TAC Chair
Levine, Jonathan	ERCOT Assistant General Counsel and Assistant Corporate Secretary
McAdams, Will	PUCT Commissioner
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
Rychetsky, Penny	ERCOT Director of Internal Audit
Schue, Jamie	ERCOT Corporate Counsel
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, Chief Administrative Officer and Chief of Staff
Taylor, Sean	ERCOT Vice President and Chief Financial Officer
Townsend, Aaron	Potomac Economics, ERCOT Independent Market Monitor (IMM), Deputy Director

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

Paul Foster, Board Chair, determined that a quorum was present and called the special Board meeting to order at approximately 9:07 a.m.

Chair Foster recognized Peter Lake, Chairman of the PUCT. Chairman Lake called an Open Meeting of the Commission to order to consider matters which had been duly posted with the Texas Secretary of State for October 22, 2021.

Chair Foster announced there were no proxies for the meeting and highlighted the Antitrust Admonition. He addressed the following Agenda Items in the order below.

Notice of Public Comment, if Any (Agenda Item 2)

Chair Foster announced that ERCOT had provided instructions for members of the public who were interested in commenting in person on the agenda for the meeting, which was posted publicly on October 15, 2021, and that to date, no individuals had expressed interest in commenting in person, which Chad Seely confirmed. There were no questions or comments from Board members.

Consent Agenda; Unopposed Revision Requests Recommended by Technical Advisory Committee (TAC) for Approval; Application for Permanent Site-Specific Exemption from Compliance with Paragraph (6) of Protocol Section 10.3.2.3, Generation Netting for ERCOT-Polled Settlement Meters; Proposed Change to Steady-State Transmission Planning Load Forecast Boundary Threshold (Agenda Items 3, 3.1, 3.1.1 – 3.1.5, 3.2 and 3.3)

Chair Foster presented the Consent Agenda. Mr. Seely reviewed the cost impacts of the Revision Requests on the Consent Agenda. There were no questions or comments from Board members. Chair Foster entertained a motion for the approval of the Consent Agenda as follows:

- PGRR093, Replace Inadvertent Deletions in Section 5;
- PGRR094, Clarify Notification Requirement for Generator Construction Commencement or Completion;
- RRGR031, Related to NPRR995, RTF-6 Create Definition and Terms for Settlement Only Energy Storage;
- SCR813, NMMS Jointly-Rated Equipment Coordination Confirmation;
- SCR814, Point-to-Point (PTP) Obligation Bid Interval Limit;
- Application for Permanent Site-Specific Exemption from Compliance with Paragraph (6) of Protocol Section 10.3.2.3, Generation Netting for ERCOT-Polled Settlement Meters; and
- Proposed Change to Steady-State Transmission Planning Load Forecast Boundary Threshold.



Carlos Aguilar moved to approve the Consent Agenda as presented. Chris Ekoh seconded the motion. The motion passed by unanimous voice vote with no abstentions.

August 10, 2021 General Session Urgent Meeting Minutes (Agenda Item 4)

Chair Foster presented the August 10, 2021 General Session Urgent Meeting Minutes (Minutes). He announced that three of the current Board members were present for that meeting, but only one of them is a voting Director. He added that a voting Director who was not in attendance could still vote to approve the Minutes if the Director so chooses, since the meeting was open to the public and a full recording is available. Mr. Seely highlighted that if the Board did not approve the Minutes, the Minutes would still be maintained in the corporate records as non-Board-approved meeting minutes.

Mr. Ekoh commented that the Minutes appeared to be accurate as presented.

After additional discussion, no motion was made, and Chair Foster noted that the Minutes would be recorded as non-Board-approved meeting minutes.

CEO Update (Agenda Item 5)

Prior to presenting the CEO Update, Brad Jones reported on the expected operating conditions of the ERCOT System for the next week. Mr. Jones announced that record temperatures were expected across the Texas power grid, and that if needed, a conservation notice would be announced in advance of the event.

Chairman Lake highlighted that under Protocol Section 6.5.1.1, ERCOT has the authority to take any actions necessary to prevent an emergency situation and encouraged ERCOT staff to do so. Commissioner Will McAdams announced that if ERCOT needs any exceptions to the Protocols or PUCT rules to prevent an emergency situation, the Commission would consider and respond to any such request in a timely manner. Commissioner Lori Cobos expressed agreement with Chairman Lake and Commissioner McAdams.

Chair Foster agreed with the comments of the Commissioners and added that he expects ERCOT to take any necessary actions within its reliability authority to avoid an Energy Emergency Alert (EEA) and to ensure the reliability of the Texas power grid. He directed ERCOT staff to file an urgent Revision Request to give ERCOT the flexibility that is consistent with its reliability authority to utilize distribution voltage measures prior to declaring an EEA, with the expectation that such Revision Request be considered at the December 2021 Board Meeting. He asked that TAC leadership work with stakeholders and ERCOT staff to accommodate this direction.

Mr. Jones presented the CEO Update. He provided an update on securitization, reviewed pre-winter preparation activities and announced that ERCOT had launched a listening tour on which he would visit with business and community leaders statewide to hear their concerns, thoughts and ideas. There were no questions or comments from Board members.



Summer 2021 Operational and Market Review (Agenda Item 6)

Woody Rickerson and Kenan Ögelman presented the Summer 2021 Operational and Market Review. There were no questions or comments from Board members.

ERCOT System Update – Energy Management System (EMS) and Settlements (Agenda Item 7)

Jayapal Parakkuth presented the ERCOT System Update – EMS and Settlements and responded to questions and comments from Board members.

Review 2021 Financial Summary (Agenda Item 8)

Sean Taylor presented the 2021 Financial Summary. There were no questions or comments from Board members.

Human Resources Operations Report (Agenda Item 9)

Mara Spak presented the Human Resources Operations Report. There were no questions or comments from Board members.

Independent Market Monitor (IMM) Report (Agenda Item 10)

Chair Foster reported that IMM Deputy Director Aaron Townsend would not be providing an oral presentation for the IMM Report, but that he was available to answer any questions. There were no questions or comments from Board members.

TAC Report; Non-Unanimous Revision Requests Recommended by TAC for Approval (Agenda Items 11, 11.1 and 11.1.1 – 11.1.7)

Chair Foster invited TAC Chair Clif Lange to present the TAC Report. Chair Foster highlighted that on OBDRR032, Non-Spin Changes Related to NPRR1093, Load Resource Participation in Non-Spinning Reserve (Agenda Item 11.1.6), Lower Colorado River Authority (LCRA) and South Texas Electric Cooperative (STEC) submitted a TAC Recommendation Opposition prior to the October 15, 2021 public posting of the agenda for this Board meeting, and the Board had anticipated addressing that TAC Recommendation Opposition, but LCRA and STEC subsequently withdrew their TAC Recommendation Opposition. He added that while the Board no longer needs to address the TAC Recommendation Opposition on OBDRR032 (Agenda Items 11.1.6.1 and 11.1.6.1.1 – 11.1.6.1.5) as part of its consideration of the OBDRR, Mr. Lange may comment on the underlying issues on behalf of STEC.

Mr. Lange presented NPRR1082, Emergency Response Service (ERS) Test Exception for Co-located ERS Loads; NPRR1087, Prohibit Participation of Critical Loads as Load Resources or ERS Resources – URGENT; and NPRR1090, ERS Winter Storm Uri Lessons Learned Changes and Other ERS Items – URGENT; each as recommended by TAC for Board approval, and with NPRR1087 also as amended by the October 21, 2021 ERCOT comments (Agenda Items 11.1.1 – 11.1.3). Mr. Lange and Mr. Seely responded to questions and comments from Board members.

Mr. Lange presented NPRR1093, Load Resource Participation in Non-Spinning Reserve – URGENT; NOGRR232, Related to NPRR1093, Load Resource Participation in Non-Spinning Reserve – URGENT; OBDRR032, Non-Spin Changes Related to NPRR1093, Load Resource Participation in Non-Spinning Reserve; and OBDRR033, ORDC Changes Related to



NPRR1093, Load Resource Participation in Non-Spinning Reserve; each as recommended by TAC for Board approval (Agenda Items 11.1.4 – 11.1.7). Mr. Lange commented on OBDRR032 and STEC and LCRA's positions on the underlying issues. Chairman Lake commented on OBDRR032 and also encouraged TAC and stakeholders to move expeditiously on NPRR1101, Create Non-Spin Deployment Groups made up of Generation Resources Providing Off-Line Non-Spinning Reserve and Load Resources that are Not Controllable Load Resources Providing Non-Spinning Reserve.

Mr. Lange presented the TAC Report and provided an overview of TAC and its subcommittees. There were no questions or comments from Board members.

Chair Foster entertained a motion to approve NPRR1082, NPRR1087, NPRR1090, NPRR1093, NOGRR232, OBDRR032 and ODBRR033.

Mr. Ekoh moved to approve NPRR1082, NPRR1087, NPRR1090, NPRR1093, NOGRR232, OBDRR032 and ODBRR033, each as presented and as recommended by TAC, and with NPRR1087 also as amended by the October 21, 2021 ERCOT comments. Mr. Aguilar seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Report on Annual TAC and Subcommittee Structural/Procedural Review (Agenda Item 11.2)

Mr. Lange presented the Report on Annual TAC and Subcommittee Structural/Procedural Review. There were no questions or comments from Board members.

Chairman Lake and Chair Foster thanked Mr. Lange and TAC for their efforts and commented on possible changes and improvements to the stakeholder process.

Port Lavaca Area Improvement Regional Planning Group Project (Agenda Item 12)

Mr. Rickerson presented the Port Lavaca Area Improvement Regional Planning Group (RPG) Project, which ERCOT staff independently reviewed and recommended improvements known as Option 2EA, and which TAC voted to endorse, based on North American Electric Reliability Corporation (NERC) and ERCOT reliability planning criteria. Mr. Rickerson responded to questions and comments from Board members.

Mr. Aguilar moved to endorse the need for the Port Lavaca Area Improvement RPG Project, which ERCOT staff has independently reviewed and recommended improvements known as Option 2EA, and which TAC has voted to endorse, based on NERC and ERCOT reliability planning criteria. Mr. Ekoh seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Ratification of Officer (Agenda Item 13)

Mr. Seely presented the Ratification of Officer. He announced that Jonathan Levine had been promoted to Assistant General Counsel and Assistant Corporate Secretary, effective September 16, 2021. There were no questions or comments from Board members.



Mr. Aguilar moved to approve the ratification of Jonathan Levine as Assistant General Counsel and Assistant Corporate Secretary, effective September 16, 2021. Mr. Ekoh seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Date Change for December 2021 Board Meeting and Annual Meeting of Corporate Members (Agenda Item 14)

At Chair Foster's request, Mr. Seely presented the Date Change for the December 2021 Board Meeting and Annual Meeting of Corporate Members. There were no questions or comments from Board members.

Mr. Aguilar moved that the date for the December 2021 Board meeting be moved to December 9-10, 2021 and the location moved to ERCOT's Taylor office (800 Airport Road, Taylor, Texas 76574), with the 2021 Annual Meeting of the Members to be held on December 10, 2021, pursuant to Section 4.6(a) of the ERCOT Bylaws and Section 1.1 of the Board Policies and Procedures. Mr. Ekoh seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Other Business (Agenda Item 15)

No other business was discussed at this time.

Executive Session

Chair Foster recessed General Session at approximately 11:04 a.m. and convened Executive Session at approximately 11:21 a.m. Chairman Foster reconvened General Session at approximately 1:54 p.m.

Vote on Matters from Executive Session (Agenda Item 16)

Chair Foster entertained motions for three matters discussed during Executive Session.

Mr. Aguilar moved to approve the Contract Matter as discussed during Executive Session under Agenda Item ES 8.1 as presented. Mr. Ekoh seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Mr. Aguilar moved to approve the Contract Matter as discussed during Executive Session under Agenda Item ES 8.2 as presented. Mr. Ekoh seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Mr. Ekoh moved to approve the Litigation Matter as discussed during Executive Session under Agenda Item ES 10.1 as presented. Mr. Aguilar seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Adjournment (Agenda Item 17)

Chair Foster adjourned the meeting at approximately 1:56 p.m.

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



Jonathan M. Levine
Assistant Corporate Secretary