



## **Item 6.5: Policy on Independent Auditor Selection**

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Vice President and Chief Financial Officer

Finance and Audit Committee Meeting

ERCOT Public

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# Independent Auditor Selection

## Finance and Audit Committee Charter Requirement

- The Committee shall establish the Company's policies relating to the solicitation and engagement for independent audit services.

## Policies

- Audit Firm Rotation: Select audit firms based on competitive solicitation rather than establish a mandatory audit firm rotation cycle.
- Competitive Solicitation: Solicit audit services at least every six years.
  - In August 2020, ERCOT issued an RFP for independent audit services for the next six-year period.
  - In December 2020, based on the RFP results, the Board selected the independent auditors to perform the 401(k) Savings Plan, Financial Statement, and SOC audits.
- Engagement Partner Rotation: Require engagement partner rotation after no more than five years for the Financial Statement Audit.
  - Jeff Gendreau is the engagement partner beginning with the 2020 Financial Statement Audit.