

PUC DOCKET NO. 52710

COMPLIANCE FILING FOR DOCKET § PUBLIC UTILITY COMMISSION
NO. 52322 (APPLICATION OF ELECTRIC §
RELIABILITY COUNCIL OF TEXAS INC. § OF TEXAS
FOR A DEBT OBLIGATION ORDER §
PURSUANT TO CHAPTER 39, §
SUBCHAPTER N, OF THE PUBLIC §
UTILITY REGULATORY ACT) §

June 9, 2022

**Contact: Chad V. Seely, Esq.
Electric Reliability Council of Texas, Inc.
8000 Metropolis Drive (Building E), Suite 100
Austin, Texas 78744
(512) 225-7000**

**In compliance with Ordering Paragraph No. 10 of the Debt
Obligation Order issued on October 13, 2021 in Docket No.
52322, ERCOT hereby submits its Final Issuance Advice Letter.**



Sean Taylor, Vice President & Chief Financial Officer

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ISSUANCE ADVICE LETTER

June 9, 2022

Docket No. 52710

THE PUBLIC UTILITY COMMISSION OF TEXAS

SUBJECT: ISSUANCE ADVICE LETTER FOR SUBCHAPTER N BONDS

Pursuant to the Debt Obligation Order adopted in Application of Electric Reliability Council of Texas, Inc. for a debt obligation order, Docket No. 52322 (the "Debt Obligation Order"), the Electric Reliability Council of Texas, Inc., ("Applicant") hereby submits, no later than the end of the first Business Day after the pricing of this series of Subchapter N Bonds, the information referenced below. This Issuance Advice Letter is for the Texas Electric Market Stabilization Funding N LLC Texas Stabilization N Bonds, Series 2022, tranches A-1, A-2, A-3 and A-4. Any capitalized terms not defined in this letter shall have the meanings ascribed to them in the Debt Obligation Order.

PURPOSE

This filing establishes the following:

- (a) the total amount of the Securitizable Amount being financed;
- (b) confirmation of compliance with issuance standards;
- (c) the actual terms and structure of the Subchapter N Bonds being issued;
- (d) the initial Uplift Charges; and
- (e) the identification of the BondCo.

SECURITIZABLE AMOUNT BEING FINANCED

The total amount of the Securitizable Amount being financed is presented in Attachment 1.

COMPLIANCE WITH ISSUANCE STANDARDS

The Debt Obligation Order requires Applicant to confirm, using the methodology approved therein, that the actual terms of the Subchapter N Bonds result in compliance with the standards set forth in the Debt Obligation Order. These standards are:

1. The financing of the Securitizable Amount shall support the financial integrity of the wholesale market and is necessary to protect the public interest.
2. ERCOT shall recover the Uplift Charges by collecting from and allocating among all Qualified Scheduling Entities representing non-opted out Load-Serving Entities ("Responsible LSEs"), the Uplift Charges on a load ratio share basis.
3. The Uplift Charges shall be assessed on all Qualified Scheduling Entities representing Responsible LSEs on a load ratio share basis, including Load-Serving Entities who enter the market after the Debt Obligation Order is issued, but excluding the load of entities that opt out in accordance with PURA § 39.653(d).
4. In accordance with PURA §39.151(j-1) ERCOT shall not reduce payments to or uplift short-paid amounts to a municipally owned utility that becomes subject to ERCOT's jurisdiction on or after May 29, 2021 and before December 30, 2021, related to a default on a payment obligation by a market participant that occurred before May 29, 2021.
5. The present value calculation, if any, uses a discount rate equal to the proposed interest rate on the debt obligations.
6. The Subchapter N Bonds shall be issued in one or more series comprised of one or more tranches having target final maturities of approximately 28 years and legal final maturities not exceeding thirty (30) years from the date of issuance of such series.
7. The Subchapter N Bonds may be issued with an original issue discount, additional credit enhancements, or arrangements to enhance marketability provided that the Applicant provides sufficient information to the Commission's designated representative to evaluate the relevant benefits of such arrangements and certifies that the original issue discount, additional credit enhancements, or other arrangements are reasonably expected to provide benefits greater than their costs.
8. The structuring and pricing of the Subchapter N Bonds is certified by the Applicant to result in the lowest Uplift Charges consistent with market conditions, the marketing plan and the terms set out in the Debt Obligation Order.

ACTUAL TERMS OF ISSUANCE

Subchapter N Bonds Series: **Texas Market Stabilization Subchapter N Bonds, Series 2022**

Subchapter N Bonds Issuer: **Texas Electric Market Stabilization Funding N LLC**

Trustee: **U.S. Bank Trust Company, National Association**

Closing Date: June 15, 2022

Bond Ratings: Aaa

Amount Issued: **\$2,115,700,000**

Subchapter N Bonds Upfront Costs: See Attachment 1, Schedule B.

Subchapter N Bonds Ongoing Costs: See Attachment 2, Schedule B.

Tranche	Coupon Rate	Expected Final Payment	Legal Final Maturity
A-1	4.265%	August 1, 2034	August 1, 2036
A-2	4.966%	February 1, 2042	February 1, 2044
A-3	5.057%	August 1, 2046	August 1, 2048
A-4	5.167%	February 1, 2050	February 1, 2052

Effective Annual Weighted Average Interest Rate of Subchapter N Bonds	4.979%
Life of Series	29.63 years
Weighted Average Life of Series	16.95 years
Call Provisions (including premium, if any)	N/A
Target Amortization Schedule	Attachment 2, Schedule A
Target Final Payment Dates	Attachment 2, Schedule A
Legal Final Maturity Dates	Attachment 2, Schedule A
Payment to Investors	Semiannually, Beginning February 1, 2023
Initial annual Servicing Fee as a percent of the original Subchapter N Bonds principal balance	0.05%

INITIAL UPLIFT CHARGE

Table I below shows the current assumptions for each of the variables used in the calculation of the initial Uplift Charges.

TABLE I	
Input Values for Initial Uplift Charges	
Applicable period: from June 15, 2022 to August 1, 2023 ¹	
Forecasted Uplift Charges billed for the applicable period:	\$ 155,118,634
Debt service for applicable period:	\$ 150,470,923
Percent of Uplift Charges expected to be charged-off:	0.00%
Forecasted Uplift Charges collected for applicable period:	\$ 152,131,572
Forecasted ongoing expenses (excluding bond principal and interest) for the applicable period: (\$1,329,850 annually)	\$ 1,660,649
Current Subchapter N Bond outstanding balance:	\$ 2,115,700,000
Target Subchapter N Bond outstanding balance as of 8/1/23:	\$ 2,080,168,288
Total Periodic Billing Requirement for applicable period:	\$ 152,131,572

Based on the foregoing, the initial Uplift Charges to Qualified Scheduling Entities representing Responsible LSEs are as follows: \$155,118,634

IDENTIFICATION OF SPE

The owner of the Uplift Property will be: **Texas Electric Market Stabilization Funding N LLC**

EFFECTIVE DATE

In accordance with the Debt Obligation Order, the Uplift Charges shall be automatically effective upon issuance of Subchapter N Bonds.

NOTICE

Copies of this filing are being furnished to the parties on the attached service list. Notice to the public is hereby given by filing and keeping this filing open for public inspection at Applicant's corporate headquarters.

AUTHORIZED OFFICER

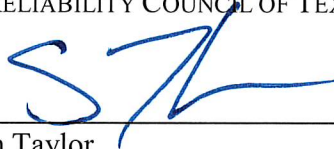
The undersigned is an officer of Applicant and authorized to deliver this Issuance of Advice Letter on behalf of Applicant.

¹ First billing date is August 1, 2022.

Respectfully submitted,

ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.

By: _____



Sean Taylor
Vice President & Chief Financial Officer

ATTACHMENT 1
SCHEDULE A

CALCULATION OF SECURITIZABLE AMOUNT FINANCED

Amounts uplifted to Responsible LSEs on a load ratio share basis due to energy consumption during the Period of Emergency for Reliability Deployment Price Adder Charges and Ancillary Service Charges.	\$ 2,100,000,000
Reasonable costs incurred by ERCOT to implement the Debt Obligation Order.	\$ 15,700,000
TOTAL SECURITIZABLE AMOUNT	\$ 2,115,700,000

ATTACHMENT 1
SCHEDULE B
PROJECTED UPFRONT COSTS

Initial Purchasers' Fees	\$ 8,462,800
Company's/Issuer's Counsel and Initial Purchasers' Counsel Legal Fees & Expenses	\$ 3,210,300
Commission's Financial Advisor's Fees, Legal Fees & Expenses	\$ 70,000
ERCOT Financial Advisor Fees & Expenses	\$ 638,900
Printing/Edgarizing Expenses	\$ 7,000
SEC Registration Fee	N/A
Securitization Proceeding Expenses	\$ 0
Road Show/ 17g-5 Site/ Intex Analytics Services	\$ 28,750
Rating Agency Fees	\$ 685,000
ERCOT Non-legal Financing Proceeding Costs/Expenses	\$ 0
ERCOT Miscellaneous Administrative Costs	\$ 0
Accountant's Fees	\$ 39,000
Servicer's Set-Up Costs	\$ 2,510,000 ¹
Trustee's/Trustee Counsel's Fees & Expenses	\$ 41,000
BondCo Set-Up Costs	\$ 10,000
Debt Retirement Transaction Costs	N/A
Costs of Paying Down Equity	N/A
Original Issue Discount	\$ 158,034
TOTAL PROJECTED UPFRONT COSTS	\$15,860,784
TOTAL PROJECTED UPFRONT COSTS FINANCED	\$ 15,700,000
TOTAL PROJECTED UPFRONT COSTS RECOVERED IN INITIAL UPLIFT CHARGES	\$ 160,784

Note: Any difference between the projected upfront costs financed and the actual upfront costs incurred shall be resolved through the true-up process described in the Debt Obligation Order.

¹ ERCOT is in the process of a substantial system upgrade to allow it to act as Servicer for Uplift Charges. Uplift Charges are a "new" category of charges and significant costs to implement this new category will be incurred over the next 3 years. The cost is estimated. To date \$1,600,000 of the estimated total has been incurred. To the extent the actual cost is more than, or less than, the estimate there will be adjustments made in future True-ups.

ATTACHMENT 2
SCHEDULE A
SUBCHAPTER N BOND REVENUE REQUIREMENT INFORMATION

SERIES A-1, TRANCHE				
Payment Date	Principal Balance	Interest	Principal	Total Payment
6/15/22	600,000,000			
2/1/23	585,192,802	16,064,833	14,807,198	30,872,031
8/1/23	564,468,288	12,479,237	20,724,514	33,203,751
2/1/24	543,318,714	12,037,286	21,149,574	33,186,860
8/1/24	521,735,363	11,586,272	21,583,352	33,169,623
2/1/25	499,709,336	11,126,007	22,026,026	33,152,033
8/1/25	477,231,556	10,656,302	22,477,780	33,134,082
2/1/26	454,292,757	10,176,963	22,938,799	33,115,762
8/1/26	430,883,483	9,687,793	23,409,274	33,097,067
2/1/27	406,994,085	9,188,590	23,889,398	33,077,988
8/1/27	382,614,715	8,679,149	24,379,370	33,058,519
2/1/28	357,735,325	8,159,259	24,879,391	33,038,649
8/1/28	332,345,658	7,628,706	25,389,667	33,018,373
2/1/29	306,435,249	7,087,271	25,910,409	32,997,680
8/1/29	279,993,417	6,534,732	26,441,831	32,976,563
2/1/30	253,009,264	5,970,860	26,984,153	32,955,013
8/1/30	225,471,665	5,395,423	27,537,598	32,933,021
2/1/31	197,369,271	4,808,183	28,102,395	32,910,578
8/1/31	168,690,496	4,208,900	28,678,775	32,887,674
2/1/32	139,423,520	3,597,325	29,266,976	32,864,301
8/1/32	109,556,278	2,973,207	29,867,242	32,840,449
2/1/33	79,076,458	2,336,288	30,479,819	32,816,107
8/1/33	47,971,498	1,686,305	31,104,960	32,791,266
2/1/34	16,228,575	1,022,992	31,742,923	32,765,915
8/1/34	-	346,074	16,228,575	16,574,649

SERIES A-2, TRANCHE				
Payment Date	Principal Balance	Interest	Principal	Total Payment
6/15/22	600,000,000			
2/1/23	600,000,000	18,705,267	-	18,705,267
8/1/23	600,000,000	14,898,000	-	14,898,000
2/1/24	600,000,000	14,898,000	-	14,898,000
8/1/24	600,000,000	14,898,000	-	14,898,000
2/1/25	600,000,000	14,898,000	-	14,898,000

8/1/25	600,000,000	14,898,000	-	14,898,000
2/1/26	600,000,000	14,898,000	-	14,898,000
8/1/26	600,000,000	14,898,000	-	14,898,000
2/1/27	600,000,000	14,898,000	-	14,898,000
8/1/27	600,000,000	14,898,000	-	14,898,000
2/1/28	600,000,000	14,898,000	-	14,898,000
8/1/28	600,000,000	14,898,000	-	14,898,000
2/1/29	600,000,000	14,898,000	-	14,898,000
8/1/29	600,000,000	14,898,000	-	14,898,000
2/1/30	600,000,000	14,898,000	-	14,898,000
8/1/30	600,000,000	14,898,000	-	14,898,000
2/1/31	600,000,000	14,898,000	-	14,898,000
8/1/31	600,000,000	14,898,000	-	14,898,000
2/1/32	600,000,000	14,898,000	-	14,898,000
8/1/32	600,000,000	14,898,000	-	14,898,000
2/1/33	600,000,000	14,898,000	-	14,898,000
8/1/33	600,000,000	14,898,000	-	14,898,000
2/1/34	600,000,000	14,898,000	-	14,898,000
8/1/34	583,834,605	14,898,000	16,165,395	31,063,395
2/1/35	550,723,050	14,496,613	33,111,555	47,608,168
8/1/35	516,823,440	13,674,453	33,899,610	47,574,063
2/1/36	482,117,019	12,832,726	34,706,421	47,539,147
8/1/36	446,584,586	11,970,966	35,532,433	47,503,399
2/1/37	410,206,481	11,088,695	36,378,105	47,466,801
8/1/37	372,962,577	10,185,427	37,243,904	47,429,331
2/1/38	334,832,267	9,260,661	38,130,309	47,390,970
8/1/38	295,794,457	8,313,885	39,037,810	47,351,696
2/1/39	255,827,547	7,344,576	39,966,910	47,311,487
8/1/39	214,909,424	6,352,198	40,918,123	47,270,321
2/1/40	173,017,450	5,336,201	41,891,974	47,228,175
8/1/40	130,128,447	4,296,023	42,889,003	47,185,026
2/1/41	86,218,685	3,231,089	43,909,761	47,140,851
8/1/41	41,263,871	2,140,810	44,954,814	47,095,624
2/1/42	-	1,024,582	41,263,871	42,288,453

SERIES A-3, TRANCHE				
Payment Date	Principal Balance	Interest	Principal	Total Payment
6/15/22	457,900,000			
2/1/23	457,900,000	14,536,824	-	14,536,824
8/1/23	457,900,000	11,578,002	-	11,578,002
2/1/24	457,900,000	11,578,002	-	11,578,002
8/1/24	457,900,000	11,578,002	-	11,578,002
2/1/25	457,900,000	11,578,002	-	11,578,002

8/1/25	457,900,000	11,578,002	-	11,578,002
2/1/26	457,900,000	11,578,002	-	11,578,002
8/1/26	457,900,000	11,578,002	-	11,578,002
2/1/27	457,900,000	11,578,002	-	11,578,002
8/1/27	457,900,000	11,578,002	-	11,578,002
2/1/28	457,900,000	11,578,002	-	11,578,002
8/1/28	457,900,000	11,578,002	-	11,578,002
2/1/29	457,900,000	11,578,002	-	11,578,002
8/1/29	457,900,000	11,578,002	-	11,578,002
2/1/30	457,900,000	11,578,002	-	11,578,002
8/1/30	457,900,000	11,578,002	-	11,578,002
2/1/31	457,900,000	11,578,002	-	11,578,002
8/1/31	457,900,000	11,578,002	-	11,578,002
2/1/32	457,900,000	11,578,002	-	11,578,002
8/1/32	457,900,000	11,578,002	-	11,578,002
2/1/33	457,900,000	11,578,002	-	11,578,002
8/1/33	457,900,000	11,578,002	-	11,578,002
2/1/34	457,900,000	11,578,002	-	11,578,002
8/1/34	457,900,000	11,578,002	-	11,578,002
2/1/35	457,900,000	11,578,002	-	11,578,002
8/1/35	457,900,000	11,578,002	-	11,578,002
2/1/36	457,900,000	11,578,002	-	11,578,002
8/1/36	457,900,000	11,578,002	-	11,578,002
2/1/37	457,900,000	11,578,002	-	11,578,002
8/1/37	457,900,000	11,578,002	-	11,578,002
2/1/38	457,900,000	11,578,002	-	11,578,002
8/1/38	457,900,000	11,578,002	-	11,578,002
2/1/39	457,900,000	11,578,002	-	11,578,002
8/1/39	457,900,000	11,578,002	-	11,578,002
2/1/40	457,900,000	11,578,002	-	11,578,002
8/1/40	457,900,000	11,578,002	-	11,578,002
2/1/41	457,900,000	11,578,002	-	11,578,002
8/1/41	457,900,000	11,578,002	-	11,578,002
2/1/42	453,139,133	11,578,002	4,760,867	16,338,868
8/1/42	406,014,983	11,457,623	47,124,150	58,581,773
2/1/43	357,729,458	10,266,089	48,285,525	58,551,614
8/1/43	308,253,937	9,045,189	49,475,521	58,520,711
2/1/44	257,559,091	7,794,201	50,694,846	58,489,046
8/1/44	205,614,871	6,512,382	51,944,220	58,456,602
2/1/45	152,390,486	5,198,972	53,224,385	58,423,357
8/1/45	97,854,385	3,853,193	54,536,100	58,389,294
2/1/46	41,974,243	2,474,248	55,880,143	58,354,391
8/1/46	-	1,061,319	41,974,243	43,035,561

SERIES A-4, TRANCHE				
Payment Date	Principal Balance	Interest	Principal	Total Payment
6/15/22	457,800,000			
2/1/23	457,800,000	14,849,786	-	14,849,786
8/1/23	457,800,000	11,827,263	-	11,827,263
2/1/24	457,800,000	11,827,263	-	11,827,263
8/1/24	457,800,000	11,827,263	-	11,827,263
2/1/25	457,800,000	11,827,263	-	11,827,263
8/1/25	457,800,000	11,827,263	-	11,827,263
2/1/26	457,800,000	11,827,263	-	11,827,263
8/1/26	457,800,000	11,827,263	-	11,827,263
2/1/27	457,800,000	11,827,263	-	11,827,263
8/1/27	457,800,000	11,827,263	-	11,827,263
2/1/28	457,800,000	11,827,263	-	11,827,263
8/1/28	457,800,000	11,827,263	-	11,827,263
2/1/29	457,800,000	11,827,263	-	11,827,263
8/1/29	457,800,000	11,827,263	-	11,827,263
2/1/30	457,800,000	11,827,263	-	11,827,263
8/1/30	457,800,000	11,827,263	-	11,827,263
2/1/31	457,800,000	11,827,263	-	11,827,263
8/1/31	457,800,000	11,827,263	-	11,827,263
2/1/32	457,800,000	11,827,263	-	11,827,263
8/1/32	457,800,000	11,827,263	-	11,827,263
2/1/33	457,800,000	11,827,263	-	11,827,263
8/1/33	457,800,000	11,827,263	-	11,827,263
2/1/34	457,800,000	11,827,263	-	11,827,263
8/1/34	457,800,000	11,827,263	-	11,827,263
2/1/35	457,800,000	11,827,263	-	11,827,263
8/1/35	457,800,000	11,827,263	-	11,827,263
2/1/36	457,800,000	11,827,263	-	11,827,263
8/1/36	457,800,000	11,827,263	-	11,827,263
2/1/37	457,800,000	11,827,263	-	11,827,263
8/1/37	457,800,000	11,827,263	-	11,827,263
2/1/38	457,800,000	11,827,263	-	11,827,263
8/1/38	457,800,000	11,827,263	-	11,827,263
2/1/39	457,800,000	11,827,263	-	11,827,263
8/1/39	457,800,000	11,827,263	-	11,827,263
2/1/40	457,800,000	11,827,263	-	11,827,263
8/1/40	457,800,000	11,827,263	-	11,827,263
2/1/41	457,800,000	11,827,263	-	11,827,263
8/1/41	457,800,000	11,827,263	-	11,827,263
2/1/42	457,800,000	11,827,263	-	11,827,263
8/1/42	457,800,000	11,827,263	-	11,827,263

2/1/43	457,800,000	11,827,263	-	11,827,263
8/1/43	457,800,000	11,827,263	-	11,827,263
2/1/44	457,800,000	11,827,263	-	11,827,263
8/1/44	457,800,000	11,827,263	-	11,827,263
2/1/45	457,800,000	11,827,263	-	11,827,263
8/1/45	457,800,000	11,827,263	-	11,827,263
2/1/46	457,800,000	11,827,263	-	11,827,263
8/1/46	442,516,934	11,827,263	15,283,066	27,110,329
2/1/47	383,846,456	11,432,425	58,670,478	70,102,903
8/1/47	323,722,123	9,916,673	60,124,333	70,041,006
2/1/48	262,107,909	8,363,361	61,614,214	69,977,575
8/1/48	198,966,895	6,771,558	63,141,014	69,912,572
2/1/49	134,261,247	5,140,310	64,705,648	69,845,958
8/1/49	67,952,193	3,468,639	66,309,054	69,777,694
2/1/50	-	1,755,545	67,952,193	69,707,738

Tranche	Legal Final Maturity
A-1	August 1, 2036
A-2	February 1, 2044
A-3	August 1, 2048
A-4	February 1, 2052

ATTACHMENT 2
SCHEDULE B
ONGOING COSTS

	ANNUAL AMOUNT
Ongoing Servicer Fees (ERCOT as Servicer 0.050%)	\$ 1,057,850
Administration Fees^	\$ 100,000
Accountants Fees^	\$ 50,000
Legal Fees/Expenses for Company's/Issuer's Counsel^	\$ 60,000
Trustee's/Trustee Counsel Fees & Expenses^	\$ 20,000
Independent Managers' Fees^	\$ 10,000
Rating Agency Fees^	\$ 21,000
Printing/Edgarization Expenses^	\$ 1,000
Miscellaneous^	\$ 10,000
TOTAL (ERCOT AS SERVICER) PROJECTED ANNUAL ONGOING COSTS	\$ 1,329,850
Ongoing Servicer Fees (Third Party as Servicer – up to 0.60% of initial principal)	\$ 12,694,200
Other Servicing Fees (total of lines marked with ^ above)	\$ 272,000
TOTAL (THIRD PARTY AS SERVICER) PROJECTED ONGOING COSTS	\$ 12,966,200

Note: The amounts shown for each category of operating expense on this attachment are the expected expenses for the first year of the Subchapter N Bonds. Uplift Charges shall be adjusted at least annually to reflect any changes in ongoing through the true-up process described in the Debt Obligation Order.

ATTACHMENT 2
SCHEDULE C
CALCULATION OF UPLIFT CHARGES

Bond Payment Date	Subchapter N Bond Payments¹	Projected Ongoing Costs²	Total Nominal Uplift Charge Requirement³	Present Value of Uplift Charges⁴
2/1/23	78,963,908	995,724	79,959,632	77,528,570
8/1/23	71,507,015	664,925	72,171,940	68,277,817
2/1/24	71,490,125	664,925	72,155,050	66,603,681
8/1/24	71,472,888	664,925	72,137,813	64,970,279
2/1/25	71,455,297	664,925	72,120,222	63,376,620
8/1/25	71,437,346	664,925	72,102,271	61,821,739
2/1/26	71,419,027	664,925	72,083,952	60,304,694
8/1/26	71,400,332	664,925	72,065,257	58,824,565
2/1/27	71,381,253	664,925	72,046,178	57,380,455
8/1/27	71,361,783	664,925	72,026,708	55,971,490
2/1/28	71,341,914	664,925	72,006,839	54,596,814
8/1/28	71,321,637	664,925	71,986,562	53,255,596
2/1/29	71,300,945	664,925	71,965,870	51,947,021
8/1/29	71,279,828	664,925	71,944,753	50,670,297
2/1/30	71,258,278	664,925	71,923,203	49,424,650
8/1/30	71,236,285	664,925	71,901,210	48,209,324
2/1/31	71,213,842	664,925	71,878,767	47,023,583
8/1/31	71,190,939	664,925	71,855,864	45,866,708
2/1/32	71,167,566	664,925	71,832,491	44,737,997
8/1/32	71,143,713	664,925	71,808,638	43,636,766
2/1/33	71,119,371	664,925	71,784,296	42,562,347
8/1/33	71,094,530	664,925	71,759,455	41,514,089
2/1/34	71,069,180	664,925	71,734,105	40,491,356
8/1/34	71,043,309	664,925	71,708,234	39,493,527
2/1/35	71,013,433	664,925	71,678,358	38,518,130
8/1/35	70,979,328	664,925	71,644,253	37,564,600
2/1/36	70,944,411	664,925	71,609,336	36,634,251
8/1/36	70,908,663	664,925	71,573,588	35,726,520
2/1/37	70,872,065	664,925	71,536,990	34,840,858
8/1/37	70,834,596	664,925	71,499,521	33,976,729
2/1/38	70,796,234	664,925	71,461,159	33,133,609
8/1/38	70,756,960	664,925	71,421,885	32,310,989

¹ From Attachment 2, Schedule A.

² From Attachment 2, Schedule B.

³ Sum of Subchapter N Bond payments and projected ongoing costs.

⁴ Present value calculation to use a discount rate equal to the interest rate on the Subchapter N Bonds. *Application of the Electric Reliability Council of Texas, Inc. for a Debt Obligation Order pursuant to Chapter 39 Subchapter N, of the Public Regulatory Act*, Docket No. 52322, Final Debt Obligation Order, Finding of Facts Nos. 214 and 217 (October 13, 2021).

2/1/39	70,716,751	664,925	71,381,676	31,508,371
8/1/39	70,675,585	664,925	71,340,510	30,725,267
2/1/40	70,633,440	664,925	71,298,365	29,961,206
8/1/40	70,590,291	664,925	71,255,216	29,215,723
2/1/41	70,546,115	664,925	71,211,040	28,488,367
8/1/41	70,500,888	664,925	71,165,813	27,778,699
2/1/42	70,454,585	664,925	71,119,510	27,086,288
8/1/42	70,409,036	664,925	71,073,961	26,411,406
2/1/43	70,378,877	664,925	71,043,802	25,758,908
8/1/43	70,347,974	664,925	71,012,899	25,122,263
2/1/44	70,316,309	664,925	70,981,234	24,501,085
8/1/44	70,283,865	664,925	70,948,790	23,894,999
2/1/45	70,250,620	664,925	70,915,545	23,303,638
8/1/45	70,216,557	664,925	70,881,482	22,726,645
2/1/46	70,181,654	664,925	70,846,579	22,163,670
8/1/46	70,145,890	664,925	70,810,815	21,614,373
2/1/47	70,102,903	664,925	70,767,828	21,076,533
8/1/47	70,041,006	664,925	70,705,931	20,546,574
2/1/48	69,977,575	664,925	70,642,500	20,029,490
8/1/48	69,912,572	664,925	70,577,497	19,524,968
2/1/49	69,845,958	664,925	70,510,883	19,032,704
8/1/49	69,777,694	664,925	70,442,619	18,552,399
2/1/50	69,707,738	664,925	70,372,663	18,083,764

Date: June 9, 2022

Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13362
Austin, TX 78711-3326

Re: *Application of ERCOT for a Debt Obligation Order*, Docket No. 52322

ERCOT (the "Applicant") submits this Certification pursuant to Ordering Paragraph No. 11 of the Debt Obligation Order in *Application of Electric Reliability Council of Texas, Inc. for a Debt Obligation Order*, Docket No. 52322 (the "Debt Obligation Order"). All capitalized terms not defined in this letter shall have the meanings ascribed to them in the Debt Obligation Order.

In its issuance advice letter dated June 9, 2022, the Applicant has set forth the following particulars of the Subchapter N Bonds:

Name of Subchapter N Bonds: **Texas Stabilization N Bonds, Series 2022**

SPE: **Texas Electric Market Stabilization Funding N LLC**

Closing Date: June 15, 2022

Amount Issued: **\$2,115,700,000**

Expected Amortization Schedule: See Attachment 2, Schedule A to the Issuance Advice Letter

Distributions to Investors (semi-annually): Beginning February 1, 2023

Weighted Average Coupon Rate: 4.979%

Weighted Average Yield: 4.979%

The following actions were taken in connection with the design, marketing, structuring and pricing of the bonds:

- Included credit enhancement in the form of the true-up mechanism and an equity contribution of 0.50% of the original principal amount.

- Achieved preliminary Aaa ratings from one of the three major rating agencies with final Aaa ratings a condition of closing.
- Selected initial purchasers that have relevant experience and execution capability.
- Provided the preliminary offering memorandum and term sheet by e-mail to prospective investors.
- Allowed sufficient time for investors to review the preliminary offering memorandum and term sheet and to ask questions regarding the transaction.
- Arranged for the issuance of rating agency pre-sale report during the marketing period.
- During the period that the Subchapter N Bonds were marketed, held regular market update discussions with the initial purchasers to develop recommendations for pricing.
- Had multiple conversations with all of the initial purchasers before and during the marketing phase in which we stressed the requirements of the Debt Obligation Order.
- Developed and implemented a marketing plan designed to give each of the initial purchasers incentive to aggressively market the Subchapter N Bonds to their customers and to reach out to a broad base of potential investors, including investors who have not previously purchased this type of security.
- Provided potential investors with access to an internet roadshow for viewing on repeated occasions at investors' convenience.
- Adapted the Subchapter N Bond offering to market conditions and investor demand at the time of pricing. Variables impacting the final structure of the transaction were evaluated including the length of average lives and maturity of the Subchapter N Bonds and interest rate requirements at the time of pricing so that the structure of the transaction would correspond to investor preferences and rating agency requirements for Aaa ratings, while meeting the requirements of the Debt Obligation Order.
- Worked with the Commission's designated representative to develop bond allocations, initial purchaser compensation and preliminary price guidance designed to achieve lowest interest rates consistent with market conditions.
- Worked with Commission and initial purchasers (and each of our respective counsels) to finalize documentation in accordance with established standards for transactions of this sort and the terms of the Debt Obligation Order.

Based upon information reasonably available to its officers, agents, and employees of Applicant, the Applicant hereby certifies that the structuring and pricing of the bonds, as described in the issuance advice letter, shall result in the lowest Uplift Charges consistent with market conditions, the marketing plan and the terms of the Debt Obligation, all within the meaning of § 39.651 of PURA.

Respectfully submitted,

ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.

By  _____
Sean Taylor
Vice President & Chief Financial Officer

PUC DOCKET NO. 52710

COMPLIANCE FILING FOR DOCKET NO. 52322 (APPLICATION OF ELECTRIC RELIABILITY COUNCIL OF TEXAS INC. FOR A DEBT OBLIGATION ORDER PURSUANT TO CHAPTER 39, SUBCHAPTER N, OF THE PUBLIC UTILITY REGULATORY ACT)

PARTIES	ADDRESS
PUBLIC UTILITY COMMISSION	PUBLIC UTILITY COMMISSION 1701 N CONGRESS AVE STE 8-110 PO BOX 13326 AUSTIN TX, 78711 512-936-7377
ELECTRIC RELIABILITY COUNCIL OF TEXAS	CHAD V. SEELY, ESQ. VICE PRESIDENT & GENERAL COUNSEL ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC. 8000 METROPOLIS DRIVE (BUILDING E), SUITE 100 AUSTIN, TEXAS 78744
ADAM GOODLETT	adam.goodlett@opuc.texas.gov
ADRIANNE M. WADDELL	adrienne.waddell@hklaw.com
ALAINA ZERMENO	alaina.zermeno@huschblackwell.com
ALEXANDRA CALABRO	acalabro@willkie.com
ALFRED R. HERRERA	aherrera@herreralawpllc.com
ALISHA MEHTA	amehta@jw.com
ALLISON DUENSING	aduensing@saracenergy.com
ALLYSON N. HO	aho@gibsondunn.com
ANDREA KUNKEL	andrea.kunkel@bp.com
ANDREA STOVER	andrea.stover@bakerbotts.com
ANDY PERNY	andy.perny@austintexas.gov
ASHLEY VAN BOOVEN	avanbooven@nbutexas.com

AVERILL CONN acn@vitol.com

BETSY CARR betsy.carr@bp.com

CARLOS CARRASCO carlos.carrasco@haynesboone.com

CARL R. GALANT cgalant@mcginnislaw.com

CARL S. RICHIE, JR. crichie@crichielaw.com

CARRIE COLLIER-BROWN carrie.collierbrown@lockelord.com

CASEY KHAN ckhan@sidley.com

CATHERINE J. WEBKING cwebking@scottdoug.com

CHAD JOHNSON chad.johnson@huschblackwell.com

CHRIS REEDER chris.reeder@huschblackwell.com

CHRISTOPHER KIRBY ckirby@enochkever.com

CHRISTOPHER POLITO cpolito@sidley.com

CLARK, ELLIOT eclark@winstead.com

DANIEL KELLY dan.kelly@vistracorp.com

DAVID NAYLOR dnaylor@rayburnelectric.com

DEAN ELLIS dean.ellis@bp.com

DENNIS W. DONLEY, JR. donley@namanhowell.com

DIANA LIEBMANN diana.liebmann@haynesboone.com

DIANA WOODMAN HAMMETT diana.woodmanhammett@calpine.com

ELEANOR D'AMBROSIO eleanor.dambrosio@puc.texas.gov

ELIZABETH A. KIERNAN ekiernan@gibsondunn.com

EMILY R. JOLLY emily.jolly@lcra.org

EMMA F. HAND emma.hand@dentons.com

GRACE M. DICKSON grace.dickson@dentons.com

HOLLY RACHEL SMITH hsmith@texasretailenergy.com

JACOB J. LAWLER jacob.lawler@hklaw.com

JAMES E. GUY jamesguy@deaconlawgroup.com

JAMES H. BARKLEY jim.barkley@bakerbotts.com

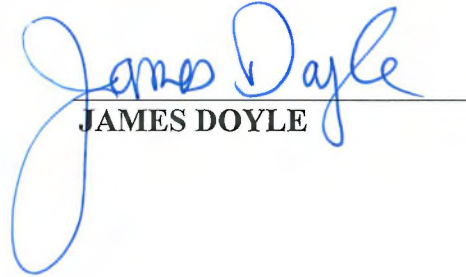
JAY JADWIN	jejadwin@aep.com
JEFF CLARK	jeff.clark@poweralliance.org
JEFFREY A. GOLLOMP	jeffrey.gollomp@citi.com
JENNIFER FERRI	jferri@jw.com
JENNIFER EDMONDSON	jedmondson@rayburnelectric.com
JENNIFER HARDY	jhardy2@willkie.com
JENNIFER LITTLEFIELD	jennifer.littlefield@haynesboone.com
JOELLE K. OGG	ogg@dc-energy.com
BRANDENBURG, JOHN	jbrandenburg@enchantedrock.com
JOHN DAVIDSON	jdavidson@dtrglaw.com
JOHN HUBBARD	jhubbard@omm.com
JOHN L. MUNN	john.munn@txu.com
MOREHEAD, JULIANA	juliana.morehead@ercot.com
JUSTIN J. MIRABAL	justin.mirabal@dentons.com
JUSTIN R. COCKRELL	cockrell@dc-energy.com
KATHERINE COLEMAN	kcoleman@omm.com
KEITH EMERY	kemery@tnsk.com
KENNETH IRVIN	kirvin@sidley.com
KRISTINA F. ROLLINS	kristina.rollins@nrg.com
KRISTINA VILLASANA	kvillasana@nbutexas.com
LAMBETH TOWNSEND	ltownsend@lglawfirm.com
LANDON LILL	landon.lill@bakerbotts.com
LAUREN DAMEN	lauren.damen.@nrg.com
LEIGH SEBASTIAN	leigh.sebastian@lcra.org
MAGGIE BERRY	mberry@gsec.coop
MANDY KIMBROUGH	mkimbrough@enochkever.com
MARIA FACONTI	maria.faconti@huschblackwell.com
MARK C. DAVIS	mark.davis@hklaw.com

MATTHEW A. ARTH	matthew.arth@lockelord.com
MEGHAN GRIFFITHS	mgriffiths@jw.com
MELISSA A. LORBER	mlorber@enochkever.com
MELISSA GAGE	magage@aep.com
MICHAEL L. RAIFF	mraiff@gibsondunn.com
MICHAEL MCMILLIN	mmcmillin@omm.com
MIGUEL HUERTA	miguel@mhuertalaw.com
MIGUEL SUAZO	miguel.suazo@huschblackwell.com
MOSS, RON	rhmos@winstead.com
NOHA SIDHOM	noha@tpcenergyfund.com
NYDEGGER, JEFF	jnydegger@winstead.com
OMM ESERVICE	ommeservice@omm.com
OPUC ESERVICE	opuc_eservice@opuc.texas.gov
CROUCH, R	rcrouch@nbutexas.com
PATRICK LEAHY	patrick.leahy@bakerbotts.com
PAUL PANTANO, JR.	ppantano@willkie.com
R. FLOYD WALKER	floyd.walker@puc.texas.gov
RADHIKA KANNAN	rkannan@sidley.com
REID BARNES	rbarnes@lglawfirm.com
RESMI SURENDRAN	resmi.surendran@shell.com
RYAN NORFOLK	ryan.norfolk@bakerbotts.com
SAMUEL A. SIEGEL	samuel.siegel@vistracorp.com
SCOTT SMYTH	ssmyth@dtrglaw.com
SERENA KUVET	serena.kuvet@ttstc.texas.gov
SERGIO HERRERA	sherrera@herrerallawpllc.com
SERVICE HERRERA LAW	service@herrerallawpllc.com
SHANNON K. MCCLENDON	shannonk@webmclaw.com
SHELBY O'BRIEN	sobrien@enochkever.com

STEPHANIE C. SPARKS	ssparks@vedderprice.com
STEPHANIE KOVER	skover@scottdoug.com
STEPHANIE ZAPATA MOORE	stephanie.moore@vistracorp.com
STEPHEN GIBELLI	sgibelli@libertypowercorp.com
TAYLOR P. DENISON	tdenison@lglawfirm.com
TERENCE HEALEY	thealey@sidley.com
THOMAS L. BROCATO	tbrocato@lglawfirm.com
THOMAS MEYERS	tmmyers@aepes.com
THOMAS MILLAR	tmillar@willkie.com
TOAN NGUYEN	toan.nguyen@avangrid.com
TODD KIMBROUGH	tkimbrough@balch.com
TRAVIS VICKERY	tvickery@mcginnislaw.com
TUCKER FULOW	tucker.furlow@opuc.texas.gov
WHITNEY BLANTON	whitney.blanton@ttstc.texas.gov
WILLIAM A. "CODY" FAULK, III	cfaulk@lglawfirm.com
WILLIAM MOORE	bmoore@enochkever.com

Certificate of Service

I hereby certify that a true and correct copy of the foregoing filing was filed on the Commission's Interchange website and served on all parties of record in this proceeding by electronic mail on June 9, 2022.


JAMES DOYLE