



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

8000 Metropolis Drive (Building E), Suite 100, Boardroom B
Austin, Texas 78644
June 21, 2022

Pursuant to notice duly given, the meeting of the 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 (if any)	Voting Category
Ekoh, Chris	Office of Public Utility Counsel, Interim Public Counsel	Voting
England, Julie	N/A	Voting
Flexon, Bob	N/A	Voting
Flores, Bill (Vice Chair)	N/A	Voting
Foster, Paul (Chair)	N/A	Voting
Heeg, Peggy	N/A	Voting
Jones, Brad	ERCOT President and Chief Executive Officer (CEO)	Non-Voting
Lake, Peter	Public Utility Commission of Texas (PUCT, Commission), Chairman	Non-Voting
Smati, Zin (<i>Not Present for Agenda Item 16</i>)	N/A	Voting
Swainson, John	N/A	Voting

Officers and Guests:

Officer/Guest	Role
Bivens, Carrie	Potomac Economics, ERCOT Independent Market Monitor (IMM), Director
Cline, Darrell	City of Garland
Cobos, Lori	PUCT Commissioner (<i>Via Teleconference</i>)
Coleman, Chris	ERCOT Lead Meteorologist
Day, Betty	ERCOT Vice President of Security and Compliance and Chief Compliance Officer
Glotfelty, Jimmy	PUCT Commissioner
Hobbs, Kristi	ERCOT Vice President of Corporate Strategy and PUC Relations



Huang, Fred	ERCOT Director of Operations Support
Lange, Clif	South Texas Electric Cooperative, Inc., Technical Advisory Committee (TAC) Chair
Levine, Jonathan	ERCOT Assistant General Counsel and Assistant Corporate Secretary
Maggio, Dave	ERCOT Director of Market Design and Analytics
McAdams, Will	PUCT Commissioner (<i>Via Teleconference</i>)
Ögelman, Kenan	ERCOT Vice President of Commercial Operations
Parakkuth, Jayapal	ERCOT Vice President and Chief Information Officer
Rainwater, Kim	ERCOT Corporate Counsel
Rickerson, Woody	ERCOT Vice President of System Planning and Weatherization
Ruane, Mark	ERCOT Senior Director of Settlements, Retail and Credit
Rychetsky, Penny	ERCOT Director of Internal Audit
San Miguel, Senaida	Texas Sunset Advisory Commission, Policy Analyst
Schein, Chris	ERCOT Interim Head of Communications
Seely, Chad V.	ERCOT Vice President, General Counsel and Corporate Secretary
Sharma Frank, Arushi	Tesla Energy Operations Inc. d/b/a Tesla (Tesla)
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

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

Paul Foster, Board Chair, determined that a quorum was present and called the Board meeting to order at approximately 8:33 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 June 21, 2022.

Chair Foster reported that Board member Carlos Aguilar could not be present for the meeting and highlighted the Antitrust Admonition. Chair Foster addressed the following Agenda Items in the order below.

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

Chair Foster announced that on the agenda for the meeting, which was posted publicly on June 14, 2022, ERCOT had provided instructions for members of the public who were interested in commenting in person and that one individual, Arushi Sharma Frank, representing ERCOT Corporate Member Tesla, expressed interest in commenting. Chair Foster invited Ms. Frank to comment. Ms. Frank provided comments on behalf of Tesla. Chairman Lake thanked Tesla for its continued work.



Consent Agenda; Unopposed Revision Requests Recommended by TAC for Approval (Agenda Items 3, 3.1, and 3.1.1 – 3.1.7)

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 to approve the Consent Agenda as follows:

- NPRR1100, Allow Generation Resources and Energy Storage Resources to Serve Customer Load When the Customer and the Resource are Disconnected from the ERCOT System – URGENT;
- NPRR1110, Black Start Requirements Update;
- NPRR1119, Removal of Extraneous Language Pertaining to the Calculation of Weekly Generation and Load Resource Capacity Forecasts;
- NPRR1121, Add a Posting Requirement to the Exceptional Fuel Cost Submission Process;
- NPRR1129, Posting ESI IDs of Transmission-Voltage Customer Opt-Outs – URGENT;
- NPRR1130, Weatherization Inspection Fees Sunset Date Extension – URGENT; and
- PGRR100, Steady-State Case Building Timeline Update.

Bill Flores, Board Vice Chair, moved to recommend approval of the Revision Requests on the Consent Agenda as presented. John Swainson seconded the motion. The motion passed by unanimous voice vote with no abstentions.

April 28, 2022 General Session Meeting Minutes (Agenda Item 4)

Chair Foster entertained a motion to approve the April 28, 2022 General Session Meeting Minutes (Minutes).

Peggy Heeg moved to approve the Minutes as presented. Julie England seconded the motion. The motion passed by unanimous voice vote with no abstentions.

2023 ERCOT Board Meeting and Annual Meeting Schedule (Agenda Item 5)

Chair Foster presented the 2023 Board Meeting and Annual Meeting Schedule (Schedule). There were no questions or comments from Board members. Chair Foster entertained a motion to approve the Schedule.

Zin Smati moved to approve the Schedule as presented. Bob Flexon seconded the motion. The motion passed by unanimous voice vote with no abstentions.

CEO Update (Agenda Item 6)

Brad Jones presented the CEO Update, including recognition of 131 ERCOT staff members who contributed to work on securitization under Utilities Code Chapter 39 Subchapter N. Chairman Lake thanked ERCOT staff for their work on the securitization to help protect small businesses and consumers from price shock. Chairman Lake also commented on ERCOT's use of Operating Condition Notices (OCNs) in May 2022 as part of conservative operation of the grid. Chairman Lake recognized PUCT Commissioner Lori Cobos for her work on transmission reliability; ERCOT staff for their work on market redesign; and Ms. Heeg for her work related to ERCOT's new Firm Fuel Product.



ERCOT Analysis of Environmental Protection Agency (EPA) Federal Implementation Plan (FIP) Regional Ozone Transport Rule (Agenda Item 6.1)

Woody Rickerson presented the ERCOT Analysis of EPA FIP Regional Ozone Transport Rule. Chairman Lake, Mr. Rickerson, and Mr. Seely responded to questions and comments from Board members.

2022 Summer Outlook (Agenda Item 7)

Chair Foster invited ERCOT staff to present the 2022 Summer Outlook. Mr. Seely reported that ERCOT staff has historically presented these updates at the start of each summer and invited feedback from Board members regarding presentation content.

2022 Summer Weather Update (Agenda Item 7.1)

Chris Coleman presented the 2022 Summer Weather Update and responded to questions and comments from Board members.

2022 Summer Operations (Agenda Item 7.2)

Woody Rickerson presented the report on 2022 Summer Operations, and he and Chairman Lake responded to questions and comments from Board members.

2022 Summer Markets and Credit (Agenda Item 7.3)

Kenan Ögelman presented the report on 2022 Summer Markets and Credit and responded to questions and comments from Board members. Chairman Lake commented on the impact of the cost of gas on forward wholesale electricity prices.

Independent Market Monitor (IMM) 2021 State of the Market Report for the ERCOT Electricity Markets (Agenda Item 8)

Carrie Bivens presented the IMM 2021 State of the Market Report for the ERCOT Electricity Markets and responded to questions and comments from Board members.

Break

Chair Foster recessed General Session for break at approximately 10:29 a.m. and reconvened General Session at approximately 10:48 a.m.

TAC Report (Agenda Item 9)

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

Board-Tabled Revision Requests; NPRR1112, Reduction of Unsecured Credit Limits – URGENT; ERCOT Presentation on Information Requested by Board; ERCOT Statement; TAC Advocate Statement; Background Information (Agenda Items 10, 10.1 and 10.1.1 – 10.1.4)

Chair Foster reported that the Board had tabled NPRR1112 at its April 28, 2022 meeting. He invited ERCOT staff to present additional information requested by the Board and ERCOT's position on NPRR1112 and Darrell Cline of City of Garland to present TAC's position. Mr. Ögelman presented the ERCOT Statement and introduced Mark Ruane, who presented the



ERCOT Presentation on Information Requested by Board. Mr. Ruane responded to questions and comments from Board members. Mr. Cline presented the TAC Advocate Statement. Mr. Cline, Mr. Ögelman, Mr. Seely, Mr. Lange, and Mr. Ruane responded to questions and comments from Board members. Following Board discussion, Mr. Swainson moved to recommend approval of NPRR1112 as recommended by TAC in the April 13, 2022 TAC Report with a recommended effective date of four months after PUCT approval, and that the Board annually review unsecured credit limits. Ms. Heeg seconded the motion but requested clarification from ERCOT staff on the impact to the market of a reduction in unsecured credit limits. Following further discussion, consideration of NPRR1112 was tabled until later in the meeting.

Approval of Methodology for Calculating Maximum Daily Resource Planned Outage Capacity; ERCOT recommendation; TAC Feedback (Agenda Items 11 and 11.1 – 11.2)

Woody Rickerson presented ERCOT's recommendation for the Board to approve a methodology for calculating Maximum Daily Resource Planned Outage Capacity, and he and Chairman Lake responded to questions and comments from Board members. Mr. Lange presented TAC's feedback regarding the proposed methodology, and he and Chairman Lake responded to questions and comments from Board members.

Mr. Swainson moved to approve the Methodology for Calculating Maximum Daily Resource Planned Outage Capacity as presented. Mr. Smati seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Board-Tabled Revision Requests; NPRR1112, Reduction of Unsecured Credit Limits – URGENT (Agenda Items 10 and 10.1) – (Continued)

Chair Foster entertained further discussion of NPRR1112. Following discussion, Board members were in consensus to table NPRR1112 pending clarification from ERCOT on the impact to the market of a reduction in unsecured credit limits.

Vice Chair Flores moved to table NPRR1112 until the August 16, 2022 Board meeting. Ms. Heeg seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Finance and Audit (F&A) Committee Report; F&A Committee Charter (Agenda Items 12 and 12.1)

Vice Chair Flores, Finance and Audit (F&A) Committee Chair, reported that the F&A Committee met the prior day and highlighted items discussed at the F&A Committee meeting. There were no questions or comments from Board members.

Vice Chair Flores moved to approve the F&A Committee Charter as recommended by the F&A Committee. Ms. England 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 (Agenda Items 13 and 13.1)

Ms. Heeg, Human Resources and Governance (HR&G) Committee Chair, reported that the HR&G Committee met the prior day and highlighted items discussed at the HR&G Committee meeting. There were no questions or comments from Board members.

Ms. Heeg moved to approve the HR&G Committee Charter as recommended by the HR&G Committee. Mr. Swainson seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Reliability and Markets (R&M) Committee Report; R&M Committee Charter (Agenda Items 14 and 14.1)

Mr. Flexon, Reliability and Markets (R&M) Committee Chair, reported that the R&M Committee met the prior day and highlighted items discussed at the R&M Committee meeting. There were no questions or comments from Board members.

Other Business (Agenda Item 15)

No other business was discussed.

Executive Session; Vote on Matters from Executive Session (Agenda Item 16)

Chair Foster recessed General Session at approximately 12:08 p.m. and convened Executive Session at approximately 12:51 p.m. Chair Foster reconvened General Session at approximately 2:44 p.m.

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

Ms. Heeg moved to approve the personnel matter as discussed in Executive Session under Agenda Item ES 2.2.1. Mr. Flexon seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Vice Chair Flores moved to approve the contract matter as discussed in Executive Session under Agenda Item ES 6.2. Ms. England seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Reconvene Executive Session; Adjournment (Agenda Item 11)

Chair Foster announced that the Board would now reconvene Executive Session. He noted that no further voting items from Executive Session were expected; accordingly, he would adjourn the meeting immediately upon conclusion of Executive Session. Chair Foster recessed General Session at approximately 2:45 p.m. and reconvened Executive Session at approximately 3:30 p.m.

Chair Foster adjourned the meeting upon the conclusion of Executive Session at approximately 5:00 p.m.



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

Jonathan M. Levine
Assistant Corporate Secretary

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