September 15, 2022

ERCOT Board of Directors  

by electronic delivery

Dear Chairman Foster and ERCOT Directors,

Under delegated authority and on behalf of the Public Utility Commission of Texas, I write to address the consensual resolution of the dispute concerning the ERCOT claim in the Brazos Electric Power Cooperative, Inc. bankruptcy case.\(^1\) ERCOT, as the independent organization\(^2\) directly responsible and accountable to the PUCT, has coordinated and continues to coordinate with the Commission’s attorneys through this process. Further, the Commission has monitored the settlement negotiations between Brazos and ERCOT and is aware of the settlement terms, as set forth in Brazos’ plan of reorganization on file in the bankruptcy case.

Brazos’ plan of reorganization addresses both the economic recovery on ERCOT’s bankruptcy claim and material, non-economic concerns important to the Commission and ERCOT, including the terms for the continued existence and management of Brazos. The Commission understands that ERCOT, Brazos, and certain intervenor Market Participants continue to negotiate and document specific details of the settlement contained in the filed plan.

The Commission continues to support ERCOT’s trajectory, efforts, and settlement framework to resolve the Brazos bankruptcy. The Commission will continue to monitor this process.

Sincerely,

Peter Lake  
Chairman, Public Utility Commission of Texas

cc: Chad Seely  
ERCOT General Counsel  
by electronic delivery

\(^1\) \textit{In re Brazos Electric Power Cooperative Inc.}, Case No. 21-30725 (Bankr. S.D. Tex.)

\(^2\) See Public Utility Regulatory Act (PUA) 39.151.