

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2021

Department of the Treasury
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Open to Public Inspection

A For the 2021 calendar year, or tax year beginning and ending

B Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization ELECTRIC RELIABILITY COUNCIL OF TEXAS INC Doing business as ERCOT Number and street (or P.O. box if mail is not delivered to street address) Room/suite 8000 METROPOLIS DR (BUILDING E) 100 City or town, state or province, country, and ZIP or foreign postal code AUSTIN, TX 78744 F Name and address of principal officer: BRAD JONES SAME AS C ABOVE	D Employer identification number 74-2587416 E Telephone number 512-225-7000 G Gross receipts \$ 252,635,175. H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions H(c) Group exemption number ▶
I Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c) (4) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
J Website: ▶ WWW.ERCOT.COM		
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1990 M State of legal domicile: TX

Part I Summary

	1	Briefly describe the organization's mission or most significant activities: SEE SCHEDULE O		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
Activities & Governance	3	Number of voting members of the governing body (Part VI, line 1a)	3	7
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	7
	5	Total number of individuals employed in calendar year 2021 (Part V, line 2a)	5	859
	6	Total number of volunteers (estimate if necessary)	6	20
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
	7b	Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.
	Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year
9		Program service revenue (Part VIII, line 2g)	0.	0.
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	238,451,207.	252,435,343.
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4,298,273.	199,832.
12		Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	0.	0.
12			242,749,480.	252,635,175.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	119,617,218.	123,829,378.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	113,033,717.	133,458,860.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	232,650,935.	257,288,238.
	19	Revenue less expenses. Subtract line 18 from line 12	10,098,545.	-4,653,063.
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	1930199146.	3229605813.
	22	Net assets or fund balances. Subtract line 21 from line 20	1795075572.	3099131308.
	22		135,123,574.	130,474,505.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer SEAN TAYLOR, VP AND CFO Type or print name and title	Date _____			
Paid Preparer Use Only	Print/Type preparer's name TROY MARINE, CPA	Preparer's signature TROY MARINE, CPA	Date 11/08/22	Check <input type="checkbox"/> if self-employed	PTIN P00187863
	Firm's name ▶ BAKER TILLY US, LLP	Firm's EIN ▶ 39-0859910			
	Firm's address ▶ 777 E. WISCONSIN AVE., 32ND FLOOR MILWAUKEE, WI 53202		Phone no. 414.777.5500		

May the IRS discuss this return with the preparer shown above? See instructions Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:
**WE SERVE THE PUBLIC BY ENSURING A RELIABLE GRID, EFFICIENT ELECTRICITY
MARKETS, OPEN ACCESS AND RETAIL CHOICE.**

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: _____) (Expenses \$ 188,782,044. including grants of \$ _____) (Revenue \$ 249,353,110.)
**ERCOT SUCCESSFULLY MANAGES THE FLOW OF ELECTRICITY TO APPROXIMATELY 26
MILLION CUSTOMERS IN THE STATE OF TEXAS, WHICH INCLUDES THE MANAGEMENT
OF FINANCIAL SETTLEMENT FOR THE COMPETITIVE WHOLESALE BULK-POWER MARKET
AND THE ADMINISTRATION OF ELECTRIC PROVIDER ACCOUNT SWITCHING IN
COMPETITIVE CHOICE AREAS.**

4b (Code: _____) (Expenses \$ 3,189,458. including grants of \$ _____) (Revenue \$ 3,272,792.)
**ERCOT ACTS AS THE SERVICER AND ADMINISTRATOR FOR THE SUBCHAPTER M
BONDS. UNDER THE ERCOT NODAL PROTOCOLS RELATING TO THE SUBCHAPTER M
DEFAULT BALANCE SECURITIZATION, ERCOT BILLS MARKET PARTICIPANTS MONTHLY
IN AMOUNTS SUFFICIENT TO PROVIDE PAYMENTS OF DEBT SERVICE AND OTHER
REQUIRED AMOUNTS AND REMITS THOSE FUNDS TO THE TRUSTEE.**

4c (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4d Other program services (Describe on Schedule O.)
(Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses **191,971,502.**

**ELECTRIC RELIABILITY COUNCIL OF TEXAS
INC**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1	X
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions	2	X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	9	X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i>	10	X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	11a	X
b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	11b	X
c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	11c	X
d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	11e	X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	12a	X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I.</i> See instructions	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	20a	X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	X

**ELECTRIC RELIABILITY COUNCIL OF TEXAS
INC**

Form 990 (2021)

Part IV Checklist of Required Schedules *(continued)*

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b	X
26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i>	26	X
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27	X
28 Was the organization a party to a business transaction with one of the following parties (see the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>	28a	X
b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>	28b	X
c A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	X
38 Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? Note: All Form 990 filers are required to complete Schedule O	38	X

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

	Yes	No
1a Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable	1a	275
b Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

		Yes	No
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return 2a 859		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. See instructions.	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		
d	If "Yes," indicate the number of Forms 8282 filed during the year 7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? ...		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12 10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities 10b		
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders 11a		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year 12b		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state?		
	Note: See the instructions for additional information the organization must report on Schedule O.		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans 13b		
c	Enter the amount of reserves on hand 13c		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O		
15	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?		X
	If "Yes," see the instructions and file Form 4720, Schedule N.		
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income?		X
	If "Yes," complete Form 4720, Schedule O.		
17	Section 501(c)(21) organizations. Did the trust, any disqualified person, or mine operator engage in any activities that would result in the imposition of an excise tax under section 4951, 4952 or 4953?		
	If "Yes," complete Form 6069.		

Part VI Governance, Management, and Disclosure. For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
	1a 7		
b	Enter the number of voting members included on line 1a, above, who are independent		
	1b 7		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?	X	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	X	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
10b			
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
b	Describe on Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done	X	
12c			
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	X	
b	Other officers or key employees of the organization	X	
	If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions.		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		
16b			

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed **NONE**
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain on Schedule O)
- 19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records **SEAN TAYLOR, VP AND CFO - 512-225-7000**
8000 METROPOLIS DR (BUILDING E), 100, AUSTIN, TX 78744

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations. See the instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JEYANT TAMBY SR. VP AND CAO	40.00			X			484,335.	0.	67,979.	
(2) CHAD SEELY SR. VP, GENERAL COUNSEL &	40.00			X			459,946.	0.	72,023.	
(3) JAYAPAL PARAKKUTH VP & CIO	40.00			X			382,615.	0.	73,523.	
(4) SEAN TAYLOR VP & CFO	40.00			X			384,737.	0.	66,852.	
(5) DWAYNE RICKERSON VP, GRID PLANNING & OPERAT	40.00			X			379,453.	0.	71,263.	
(6) KENAN OGELMAN VP, COMMERCIAL OPERATIONS	40.00			X			381,208.	0.	52,326.	
(7) WILLIAM MAGNESS BOARD MEMBER, PRESIDENT AN	40.00	X		X			375,827.	0.	57,012.	
(8) MARA SPAK VP, HUMAN RESOURCES	40.00			X			376,304.	0.	50,860.	
(9) SALLIE BETTY DAY VP, GOVERNANCE, RISK & COM	40.00			X			342,767.	0.	67,797.	
(10) BRAD JONES BOARD MEMBER, INTERIM PRESIDENT AND	40.00			X			331,544.	0.	52,568.	
(11) KRISTI HOBBS VP, CORPORATE STRATEGY & PUC RELATIO	40.00			X			273,790.	0.	68,433.	
(12) DAN WOODFIN SR. DIRECTOR, SYSTEM OPERA	40.00					X	271,146.	0.	64,721.	
(13) NATHAN BIGBEE ASST. GENERAL COUNSEL, REG	40.00					X	263,849.	0.	70,720.	
(14) BRYAN HANLEY DIRECTOR, IT INFRASTRUCTUR	40.00					X	258,056.	0.	67,629.	
(15) JULIANA MOREHEAD ASSISTANT GENERAL COUNSEL, REGULATOR	40.00					X	242,773.	0.	70,829.	
(16) MARK RUANE DIRECTOR, SETTLEMENTS RETA	40.00					X	253,728.	0.	50,414.	
(17) JOHN MESSER DIRECTOR, IT APPLICATION D	40.00					X	220,141.	0.	62,114.	

**ELECTRIC RELIABILITY COUNCIL OF TEXAS
INC**

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) AMANDA BAULD SR. DIRECTOR, PROJECT MANAGEMENT	40.00					X		237,299.	0.	34,635.
(19) THERESA GAGE VP, EXTERNAL AFFAIRS & COR	40.00			X				202,893.	0.	34,476.
(20) JONATHAN LEVINE ASST. GENERAL COUNSEL AND ASST. CORP	40.00			X				181,309.	0.	44,423.
(21) VICKIE LEADY ASST. GENERAL COUNSEL AND ASST. CORP	40.00			X				179,152.	0.	43,145.
(22) SALLY TALBERG BOARD MEMBER	30.00	X						16,633.	0.	0.
(23) PETER CRAMTON BOARD MEMBER	5.00	X						15,750.	0.	0.
(24) TERRY BULGER BOARD MEMBER	12.00	X						15,433.	0.	0.
(25) RAYMOND HEPPEL BOARD MEMBER	4.00	X						15,433.	0.	0.
(26) CARLOS AGUILAR BOARD MEMBER	10.00	X						7,250.	0.	0.
1b Subtotal								6,553,371.	0.	1243742.
c Total from continuation sheets to Part VII, Section A								7,563.	0.	0.
d Total (add lines 1b and 1c)								6,560,934.	0.	1243742.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 528

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
NEXTSOURCE, INC., 1040 AVE OF THE AMERICAS 24TH FL, NEW YORK, NY 10018	CONTINGENT WORKFORCE	8,827,226.
GRID SOLUTIONS, LLC. PO BOX 88808, CHICAGO, IL 60695-1808	IT CONSULTING	3,911,014.
POTOMAC ECONOMICS, LTD, 9990 FAIRFAX BLVD STE. 560, FAIRFAX, VA 22030	INDEPENDENT MARKET MONITOR	3,710,837.
HITACHI ENERGY USA, 901 MAIN CAMPUS DR, RALEIGH, NC 27606	IT CONSULTING	3,373,218.
WINSTEAD PC, 2728 N. HARWOOD ST, STE 500,, DALLAS, TX 75201	LEGAL SERVICES	2,482,121.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 43

SEE PART VII, SECTION A CONTINUATION SHEETS

**ELECTRIC RELIABILITY COUNCIL OF TEXAS
INC**

Form 990

74-2587416

Part VII Section A. **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(27) WILLIAM FLORES BOARD MEMBER	10.00	X						3,938.	0.	0.
(28) ZIN SMATI BOARD MEMBER	25.00	X						3,625.	0.	0.
(29) VANESSA ANESETTI-PARRA BOARD MEMBER	4.00	X						0.	0.	0.
(30) JIM BROWN BOARD MEMBER	4.00	X						0.	0.	0.
(31) KEVIN BUNCH BOARD MEMBER	4.00	X						0.	0.	0.
(32) ROB CANTRELL BOARD MEMBER	4.00	X						0.	0.	0.
(33) MARK CARPENTER BOARD MEMBER	4.00	X						0.	0.	0.
(34) LORI COBOS BOARD MEMBER	4.00	X						0.	0.	0.
(35) ARTHUR D'ANDREA BOARD MEMBER	4.00	X						0.	0.	0.
(36) CHRIS EKOH BOARD MEMBER	16.00	X						0.	0.	0.
(37) KEITH EMERY BOARD MEMBER	15.00	X						0.	0.	0.
(38) NICK FEHRENBACH BOARD MEMBER	4.00	X						0.	0.	0.
(39) ROBERT FLEXON BOARD MEMBER	1.00	X						0.	0.	0.
(40) PAUL FOSTER BOARD MEMBER	4.00	X						0.	0.	0.
(41) KEVIN GRESHAM BOARD MEMBER	4.00	X						0.	0.	0.
(42) TOM HANCOCK BOARD MEMBER	4.00	X						0.	0.	0.
(43) SAM HARPER BOARD MEMBER	8.00	X						0.	0.	0.
(44) BOB KAHN BOARD MEMBER	4.00	X						0.	0.	0.
(45) CLIFTON KARNEI BOARD MEMBER	1.00	X						0.	0.	0.
(46) MIKE KEZAR BOARD MEMBER	4.00	X						0.	0.	0.
Total to Part VII, Section A, line 1c										

**ELECTRIC RELIABILITY COUNCIL OF TEXAS
INC**

Form 990 (2021)

74-2587416 Page **9**

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above ...	1f					
	g Noncash contributions included in lines 1a-1f	1g \$					
	h Total. Add lines 1a-1f						
Program Service Revenue	2 a ELECTRIC RELIABILITY PROGRAM SERV	Business Code					
		221000	209831999.	209831999.			
	b MUNICIPAL SERVICE PROGRAM REVENUE	221000	38,943,912.	38943912.			
	c BOND SERVICING & ADMINSTRATION	221000	3,272,792.	3,272,792.			
	d MEMBERSHIP DUES	221000	386,640.	386,640.			
	e _____						
	f All other program service revenue						
g Total. Add lines 2a-2f		252435343.					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		199,832.	190,559.		9,273.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	6a	(i) Real				
			(ii) Personal				
	b Less: rental expenses ...	6b					
	c Rental income or (loss)	6c					
	d Net rental income or (loss)						
	7 a Gross amount from sales of assets other than inventory	7a	(i) Securities				
			(ii) Other				
	b Less: cost or other basis and sales expenses	7b					
	c Gain or (loss)	7c					
d Net gain or (loss)							
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a						
b Less: direct expenses	8b						
c Net income or (loss) from fundraising events							
9 a Gross income from gaming activities. See Part IV, line 19	9a						
b Less: direct expenses	9b						
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances	10a						
b Less: cost of goods sold	10b						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue	11 a _____	Business Code					
	b _____						
	c _____						
	d All other revenue						
	e Total. Add lines 11a-11d						
12 Total revenue. See instructions		252635175.	252625902.	0.	9,273.		

**ELECTRIC RELIABILITY COUNCIL OF TEXAS
INC**

Form 990 (2021)

74-2587416 Page **10**

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	6,223,020.	2,337,348.	3,885,672.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	86,179,642.	72,838,890.	13,340,752.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	13,141,395.	11,304,069.	1,837,326.	
9 Other employee benefits	11,063,996.	9,240,244.	1,823,752.	
10 Payroll taxes	7,221,325.	6,076,513.	1,144,812.	
11 Fees for services (nonemployees):				
a Management				
b Legal	7,291,158.		7,291,158.	
c Accounting	260,438.	129,500.	130,938.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	19,301,662.	15,045,872.	4,255,790.	
12 Advertising and promotion				
13 Office expenses	931,437.	685,150.	246,287.	
14 Information technology	5,256,728.	5,111,164.	145,564.	
15 Royalties				
16 Occupancy	4,826,321.	689,915.	4,136,406.	
17 Travel	193,667.	109,538.	84,129.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings	392,048.	148,204.	243,844.	
20 Interest	4,460,053.	3,189,458.	1,270,595.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	27,901,556.	23,095,056.	4,806,500.	
23 Insurance	6,907,477.	6,907,477.		
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a HARDWARE AND SOFTWARE E	33,366,743.	32,729,294.	637,449.	
b RELIABILITY ORGANIZATIO	19,540,966.		19,540,966.	
c DUES AND SUBSCRIPTIONS	2,753,438.	2,331,386.	422,052.	
d ALL OTHER EXPENSES	75,168.	2,424.	72,744.	
e All other expenses _____				
25 Total functional expenses. Add lines 1 through 24e	257,288,238.	191,971,502.	65,316,736.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here if following SOP 98-2 (ASC 958-720)

**ELECTRIC RELIABILITY COUNCIL OF TEXAS
INC**

Form 990 (2021)

74-2587416 Page **11**

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year	
Assets	1 Cash - non-interest-bearing	5,347,037.	1	36,722,171.	
	2 Savings and temporary cash investments	1752513438.	2	2198505584.	
	3 Pledges and grants receivable, net		3		
	4 Accounts receivable, net	7,630,031.	4	28,106,188.	
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5		
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6		
	7 Notes and loans receivable, net		7		
	8 Inventories for sale or use		8		
	9 Prepaid expenses and deferred charges	26,787,903.	9	25,381,963.	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1017642394.			
	b Less: accumulated depreciation	10b 861,800,948.	136,878,555.	10c	155,841,446.
	11 Investments - publicly traded securities		11		
	12 Investments - other securities. See Part IV, line 11		12		
	13 Investments - program-related. See Part IV, line 11		13		
	14 Intangible assets		14		
	15 Other assets. See Part IV, line 11	1,042,182.	15	785,048,461.	
16 Total assets. Add lines 1 through 15 (must equal line 33)	1930199146.	16	3229605813.		
Liabilities	17 Accounts payable and accrued expenses	16,345,558.	17	26,699,467.	
	18 Grants payable		18		
	19 Deferred revenue	5,844,857.	19	6,533,540.	
	20 Tax-exempt bond liabilities		20		
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	1066430329.	21	1075478021.	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22		
	23 Secured mortgages and notes payable to unrelated third parties	46,826,906.	23	840,945,331.	
	24 Unsecured notes and loans payable to unrelated third parties		24		
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	659,627,922.	25	1149474949.	
	26 Total liabilities. Add lines 17 through 25	1795075572.	26	3099131308.	
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.				
	27 Net assets without donor restrictions	135,123,574.	27	130,474,505.	
	28 Net assets with donor restrictions		28		
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.				
	29 Capital stock or trust principal, or current funds		29		
	30 Paid-in or capital surplus, or land, building, or equipment fund		30		
	31 Retained earnings, endowment, accumulated income, or other funds		31		
	32 Total net assets or fund balances	135,123,574.	32	130,474,505.	
	33 Total liabilities and net assets/fund balances	1930199146.	33	3229605813.	

Form **990** (2021)

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	252,635,175.
2	Total expenses (must equal Part IX, column (A), line 25)	2	257,288,238.
3	Revenue less expenses. Subtract line 2 from line 1	3	-4,653,063.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	135,123,574.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	3,994.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	130,474,505.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b	Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____		

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2021

Open to Public Inspection

Name of the organization ELECTRIC RELIABILITY COUNCIL OF TEXAS INC Employer identification number 74-2587416

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, grants, and end of year, and two Yes/No questions regarding donor property and grant fund usage.

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include purpose(s) of conservation easements, a table for lines 2a-2d (Total number, acreage, certified historic structures, and National Register listings), and questions about modifications, states, monitoring policies, staff hours, expenses, and reporting requirements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include questions about reporting requirements for art and historical treasures, and a table for revenue and assets included in Form 990, Part VIII and Part X.

**ELECTRIC RELIABILITY COUNCIL OF TEXAS
INC**

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) SECURITIZATION CHARGES RECEIVABLE, NON-CURRENT	784,181,275.
(2) OPERATING LEASE ROU ASSET, NON-CURRENT	867,186.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	785,048,461.

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) CRRRAH/QSE SECURITY DEPOSITS	1135961236.
(3) ACCR. POST RET. BENEFIT OBLIGATION	324,991.
(4) OPERATING LEASE LIABILITY	547,139.
(5) FINANCE LEASE LIABILITY	12,641,583.
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	1149474949.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ...

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)		5	

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5	

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART IV, LINE 2B:

ERCOT IS THE CENTRAL COUNTERPARTY FOR ALL TRANSACTIONS SETTLED BY ERCOT PURSUANT TO ERCOT PROTOCOLS AND IS DEEMED TO BE THE SOLE BUYER TO EACH SELLER, AND THE SOLE SELLER TO EACH BUYER, OF ALL ENERGY, ANCILLARY SERVICES, RELIABILITY UNIT COMMITMENTS (RUCS), EMERGENCY RESPONSE SERVICE (ERS), AND OTHER PRODUCTS OR SERVICES FOR WHICH ERCOT MAY PAY OR CHARGE A MARKET PARTICIPANT EXCEPT FOR THOSE PRODUCTS OR SERVICES THAT ARE SELF-ARRANGED BY MARKET PARTICIPANTS. ERCOT PERFORMS SETTLEMENTS FOR ALL TRANSACTIONS SUBJECT TO THE FINANCIAL SETTLEMENT PROCESS IN ACCORDANCE WITH ERCOT PROTOCOLS. THE SETTLEMENT PROCESS IS USED TO RESOLVE FINANCIAL OBLIGATIONS FOR MARKET SERVICES PROCURED THROUGH ERCOT FOR REGISTERED MARKET PARTICIPANTS. ADDITIONALLY, AS REQUIRED BY ERCOT PROTOCOLS, ERCOT

Part XIII Supplemental Information (continued)

EXECUTES AUCTIONS FOR CONGESTION REVENUE RIGHTS MONTHLY AND ANNUALLY AND
DISTRIBUTES PROCEEDS FROM THESE AUCTIONS TO MARKET PARTICIPANTS AS
REQUIRED BY ERCOT PROTOCOLS.

PART X, LINE 2:

ERCOT IS EXEMPT FROM FEDERAL INCOME TAX UNDER SECTION 501(A) OF THE
INTERNAL REVENUE CODE AS AN ORGANIZATION DESCRIBED IN SECTION 501(C)(4).
THE COMPANY IS ALSO EXEMPT FROM STATE INCOME TAXES. ACCORDINGLY, NO
PROVISION FOR INCOME TAXES OR UNCERTAIN TAX POSITIONS HAS BEEN REFLECTED
IN THE FINANCIAL STATEMENTS.

PART X, LINE 1, ROWS 3 AND 4:

AFTER ADOPTING ASU NO. 2016-02, LESSEES ARE REQUIRED TO RECOGNIZE THE
RIGHTS AND OBLIGATIONS RESULTING FROM LEASES AS ASSETS AND LIABILITIES.
ERCOT'S NON-CANCELABLE OPERATING LEASES ARE FOR OFFICE FACILITIES AND
OFFICE AND TELECOMMUNICATION EQUIPMENT.

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

2021

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
 ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
 ▶ Attach to Form 990.
 ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization **ELECTRIC RELIABILITY COUNCIL OF TEXAS
INC** Employer identification number **74-2587416**

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain **1b**

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a? **2**

3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

a Receive a severance payment or change-of-control payment? **4a**

b Participate in or receive payment from a supplemental nonqualified retirement plan? **4b**

c Participate in or receive payment from an equity-based compensation arrangement? **4c**

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization? **5a**

b Any related organization? **5b**

If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization? **6a**

b Any related organization? **6b**

If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III **7**

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III **8**

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? **9**

	Yes	No
1b		
2	X	
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7	X	
8		X
9		

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2021

**ELECTRIC RELIABILITY COUNCIL OF TEXAS
INC**

74-2587416

Schedule J (Form 990) 2021

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) JEYANT TAMBY SR. VP AND CAO	(i)	450,093.	34,242.	0.	42,050.	25,929.	552,314.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) CHAD SEELY SR. VP, GENERAL COUNSEL &	(i)	426,608.	33,338.	0.	40,977.	31,046.	531,969.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) JAYAPAL PARAKKUTH VP & CIO	(i)	354,615.	28,000.	0.	39,647.	33,876.	456,138.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) SEAN TAYLOR VP & CFO	(i)	356,737.	28,000.	0.	42,050.	24,802.	451,589.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) DWAYNE RICKERSON VP, GRID PLANNING & OPERAT	(i)	352,048.	27,405.	0.	41,480.	29,783.	450,716.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) KENAN OGELMAN VP, COMMERCIAL OPERATIONS	(i)	353,970.	27,238.	0.	41,777.	10,549.	433,534.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) WILLIAM MAGNESS BOARD MEMBER, PRESIDENT AN	(i)	375,827.	0.	0.	39,327.	17,685.	432,839.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) MARA SPAK VP, HUMAN RESOURCES	(i)	349,104.	27,200.	0.	38,500.	12,360.	427,164.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) SALLIE BETTY DAY VP, GOVERNANCE, RISK & COM	(i)	317,730.	25,012.	25.	42,050.	25,747.	410,564.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) BRAD JONES BOARD MEMBER, INTERIM PRESIDENT AND	(i)	331,544.	0.	0.	35,094.	17,474.	384,112.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(11) KRISTI HOBBS VP, CORPORATE STRATEGY & PUC RELATIO	(i)	273,790.	0.	0.	38,500.	29,933.	342,223.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(12) DAN WOODFIN SR. DIRECTOR, SYSTEM OPERA	(i)	271,146.	0.	0.	38,500.	26,221.	335,867.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(13) NATHAN BIGBEE ASST. GENERAL COUNSEL, REG	(i)	260,535.	3,314.	0.	38,500.	32,220.	334,569.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(14) BRYAN HANLEY DIRECTOR, IT INFRASTRUCTUR	(i)	258,056.	0.	0.	37,711.	29,918.	325,685.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(15) JULIANA MOREHEAD ASSISTANT GENERAL COUNSEL, REGULATOR	(i)	241,377.	1,396.	0.	36,144.	34,685.	313,602.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(16) MARK RUANE DIRECTOR, SETTLEMENTS RETA	(i)	253,728.	0.	0.	36,981.	13,433.	304,142.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.

**ELECTRIC RELIABILITY COUNCIL OF TEXAS
INC**

74-2587416

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC and/or 1099-NEC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(17) JOHN MESSER DIRECTOR, IT APPLICATION D	(i)	220,141.	0.	0.	32,232.	29,882.	282,255.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(18) AMANDA BAULD SR. DIRECTOR, PROJECT MANAGEMENT	(i)	237,299.	0.	0.	34,300.	335.	271,934.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(19) THERESA GAGE VP, EXTERNAL AFFAIRS & COR	(i)	175,677.	27,216.	0.	29,340.	5,136.	237,369.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(20) JONATHAN LEVINE ASST. GENERAL COUNSEL AND ASST. CORP	(i)	181,309.	0.	0.	26,391.	18,032.	225,732.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(21) VICKIE LEADY ASST. GENERAL COUNSEL AND ASST. CORP	(i)	179,152.	0.	0.	26,437.	16,708.	222,297.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 7:

THE EXECUTIVE INCENTIVE ACHIEVEMENT PAYOUT IS CALCULATED AS A PERCENTAGE OF THE EXECUTIVE'S ANNUAL SALARY. INDIVIDUAL ACHIEVEMENT IS BASED ON PERFORMANCE OF CORPORATE OKR AND INITIATIVES, DIVISION GOALS, AND INDIVIDUAL DELIVERABLES AS COMMUNICATED BY THE ERCOT CEO. IN 2021, THE EXECUTIVE TARGET WAS 10%. THE ERCOT CEO DISCUSSES HIS/HER RECOMMENDATIONS OF THE EXECUTIVES' INCENTIVE ACHIEVEMENT WITH THE BOARD OF DIRECTORS. BELOW ARE THE INCENTIVE WEIGHTINGS.

40% OF THE INCENTIVE IS EARNED ACCORDING TO THE EXECUTION OF CORPORATE OKRS AND GOALS. THIS WEIGHTING CREATED GREATER COLLABORATION ACROSS THE EXECUTIVE LEADERSHIP AT ERCOT TO WORK TOWARDS IMPORTANT CORPORATE EFFORTS.

30% OF THE INCENTIVE IS EARNED ACCORDING TO THE PERFORMANCE OF THE EXECUTIVE'S DIVISION DURING THE CALENDAR YEAR.

30% OF THE INCENTIVE IS EARNED ACCORDING TO THE ACHIEVEMENT OF PERSONAL GOALS. THIS COMPONENT CAN INCLUDE DEVELOPMENT GOALS, SPECIAL PROJECTS, OR OTHER DUTIES ASSIGNED BY THE ERCOT CEO.

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2021

Open to Public
Inspection

Name of the organization	ELECTRIC RELIABILITY COUNCIL OF TEXAS INC	Employer identification number	74-2587416
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FORM 990, PART I, LINE 1:

ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC. (ERCOT) LESSENS THE BURDENS OF GOVERNMENT, SERVES THE PUBLIC INTEREST BY, AND FULFILLS ITS STATUTORY OBLIGATION BY: (I) ENSURING OPEN ACCESS TO TRANSMISSION AND DISTRIBUTION SYSTEMS; (II) MAINTAINING SYSTEM RELIABILITY AND OPERATIONS; (III) ENABLING RETAIL CHOICE; (IV) OPERATING FAIR AND COMPETITIVE WHOLESALE MARKETS; (V) MAINTAINING THE RENEWABLE ENERGY CREDITS REGISTRY; AND (VI) PROVIDING LEADERSHIP AND INDEPENDENT EXPERTISE TO IMPROVE SYSTEM RELIABILITY AND MARKET EFFICIENCY. ERCOT MANAGES THE FLOW OF ELECTRIC POWER TO MORE THAN 26 MILLION TEXAS CUSTOMERS REPRESENTING ABOUT 90 PERCENT OF THE STATE'S ELECTRIC LOAD. AS THE INDEPENDENT SYSTEM OPERATOR FOR THE REGION, ERCOT SCHEDULES POWER ON AN ELECTRIC GRID THAT CONNECTS MORE THAN 46,500 MILES OF TRANSMISSION LINES AND 710+ GENERATION UNITS. ERCOT ALSO PERFORMS FINANCIAL SETTLEMENT FOR THE COMPETITIVE WHOLESALE BULK-POWER MARKET AND ADMINISTERS RETAIL SWITCHING FOR NEARLY 8 MILLION PREMISES IN COMPETITIVE CHOICE AREAS.

FORM 990, PART III, LINE 2, NEW PROGRAM SERVICES:

AS A RESULT OF THE FEBRUARY 2021 EXTREME WEATHER EVENT, EXTRAORDINARY PRICES IN THE WHOLSALE ELECTRICITY MARKET CAUSED SOME WHOLESALE MARKET PARTICIPANTS TO DEFAULT ON THEIR PAYMENT OBLIGATIONS FOR POWER UNDER THE ERCOT NODAL PROTOCOLS. AS A RESULT OF THESE PAYMENT DEFAULTS, ERCOT WAS UNABLE TO FULLY SETTLE OBLIGATIONS TO CERTAIN WHOLESALE MARKET PARTICIPANTS WHO WERE DUE PAYMENTS FROM ERCOT FOR POWER THEY PRODUCED

Name of the organization	ELECTRIC RELIABILITY COUNCIL OF TEXAS INC	Employer identification number	74-2587416
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DURING THE STORM. TO ADDRESS THESE PROBLEMS, THE TEXAS LEGISLATURE DURING THE 87TH LEGISLATIVE SESSION ENACTED 2 BILLS THAT AUTHORIZED FINANCING MECHANISMS TO PROVIDE FUNDS TO PAY MARKET PARTICIPANTS WHO WERE PREVIOUSLY SHORTPAID AND PROVIDE LIQUIDITY TO MARKET PARTICIPANTS. ONE OF THESE BILLS, HOUSE BILL 4492, ADDED SUBCHAPTERS M AND N TO CHAPTER 39 OF THE PUBLIC UTILITY REGULATORY ACT (PURA) AND EACH PROVIDED AUTHORITY FOR A FINANCING MECHANISM TO ADDRESS DIFFERENT ASPECTS OF THE EXTRAORDINARY COSTS INCURRED DUE TO THE FEBRUARY 2021 EXTREME WINTER WEATHER EVENT, WITH SUBCHAPTER M AUTHORIZING UP TO \$800,000,000 AND SUBCHAPTER N AUTHORIZING UP TO \$2,100,000,000, PLUS REASONABLE COSTS.

ON OCTOBER 14, 2021, THE PUBLIC UTILITY COMMISSION OF TEXAS (PUCT) APPROVED ERCOT'S APPLICATION FOR A DEBT OBLIGATION ORDER UNDER PURA 39.603 (SUBCHAPTER M). IN THAT DEBT OBLIGATION ORDER, THE PUCT, INTER ALIA, APPROVED THE DEFAULT BALANCE IN AN AGGREGATE AMOUNT OF UP TO \$800,000,000; APPROVED THE ASSESSMENT OF DEFAULT CHARGES TO ALL WHOLESALE MARKET PARTICIPANTS EXCEPT THOSE EXPRESSLY EXEMPTED BY PURA, IN AN AMOUNT SUFFICIENT TO ENSURE RECOVERY OF AMOUNTS EXPECTED TO BE NECESSARY TO TIMELY PROVIDE ALL PAYMENTS OF DEBT SERVICE AND OTHER REQUIRED AMOUNTS AND CHARGES IN CONNECTION WITH THE ISSUANCE OF DEBT OBLIGATIONS; AUTHORIZED THE ISSUANCE OF TEXAS STABILIZATION M BONDS THROUGH A BANKRUPTCY REMOTE SPECIAL PURPOSE ENTITY IN AN AGGREGATE AMOUNT OF UP TO \$800,000,000 FOR THE PAYMENT OF THE DEFAULT BALANCE; AND APPROVED THE FINANCING OR SECURITIZATION OF DEFAULT CHARGES AND THE CREATION OF DEFAULT PROPERTY. THE SUBCHAPTER M DEFAULT BALANCE SECURITIZATION FINANCING CLOSED IN NOVEMBER 2021.

ON OCTOBER 13, 2021, THE PUCT APPROVED ERCOT'S APPLICATION FOR A SEPARATE DEBT OBLIGATION ORDER UNDER PURA 39.603 (SUBCHAPTER N). IN

Name of the organization	ELECTRIC RELIABILITY COUNCIL OF TEXAS INC	Employer identification number	74-2587416
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THAT DEBT OBLIGATION ORDER, THE PUCT, INTER ALIA, APPROVED THE UPLIFT BALANCE IN AN AGGREGATE AMOUNT OF UP TO \$2,100,000,000, PLUS REASONABLE COSTS; APPROVED THE ASSESSMENT OF UPLIFT CHARGES TO LOAD SERVING ENTITIES EXCEPT THOSE EXPRESSLY EXEMPTED BY PURA, IN AN AMOUNT SUFFICIENT TO ENSURE THE RECOVERY OF AMOUNTS EXPECTED TO BE NECESSARY TO TIMELY PROVIDE ALL PAYMENTS OF DEBT SERVICE AND OTHER REQUIRED AMOUNTS AND CHARGES IN CONNECTION WITH THE ISSUANCE OF DEBT OBLIGATIONS; AUTHORIZED THE ISSUANCE OF TEXAS STABILIZATION N BONDS THROUGH A BANKRUPTCY-REMOTE SPECIAL PURPOSE ENTITY; AND APPROVED THE SECURITIZATION OF UPLIFT CHARGES AND THE CREATION OF UPLIFT PROPERTY. THE SUBCHAPTER N UPLIFT BALANCE SECURITIZATION FINANCING CLOSED IN JUNE 2022. ERCOT IS THE SERVICER AND ADMINISTRATOR FOR THE SUBCHAPTER M AND N BONDS, AND AS SUCH, RECEIVES REVENUE FOR PERFORMING THOSE SERVICES.

FORM 990, PART VI, SECTION A, LINE 1A:

IN 2021, THE PORTION OF SECTION 39.151 OF THE TEXAS PUBLIC UTILITY REGULATORY ACT (SEPTEMBER 1, 2021) (PURA) GOVERNING THE COMPOSITION OF THE ERCOT BOARD OF DIRECTORS WAS AMENDED BY TEXAS SENATE BILL 2. PRIOR TO IMPLEMENTATION OF SENATE BILL 2 ON OCTOBER 12, 2021, THE ERCOT BOARD OF DIRECTORS WAS COMPOSED OF SIXTEEN MEMBERS. FIFTEEN OF THE MEMBERS HAD VOTING RIGHTS; THE CHAIR OF THE PUBLIC UTILITY COMMISSION OF TEXAS WAS AN EX OFFICIO NON-VOTING MEMBER. EIGHT OF THE VOTING DIRECTORS REPRESENTED SEVEN SEGMENTS OF INDUSTRY IN THE ERCOT ELECTRICITY MARKET (AS THE CONSUMER SEGMENT IS FURTHER DIVIDED INTO SUBSEGMENTS); EACH SUCH MARKET SEGMENT DIRECTOR HAD AN ELECTED ALTERNATE (SEGMENT ALTERNATE) WHO COULD ATTEND MEETINGS IN THE ABSENCE OF THE MARKET SEGMENT DIRECTOR AND VOTE ON THE ABSENT MARKET SEGMENT DIRECTOR'S BEHALF IN THE EVENT THAT SUCH MARKET SEGMENT DIRECTOR COULD NOT ATTEND A BOARD MEETING. TWO OTHER VOTING

Name of the organization	ELECTRIC RELIABILITY COUNCIL OF TEXAS INC	Employer identification number	74-2587416
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DIRECTORS WERE ALSO EX OFFICIO DIRECTORS ONE REPRESENTED A SUBSEGMENT OF THE CONSUMER SEGMENT AS PUBLIC COUNSEL AND THE OTHER WAS THE CHIEF EXECUTIVE OFFICER OF ERCOT AND NEITHER HAD A SEGMENT ALTERNATE. THE OTHER FIVE VOTING DIRECTORS WERE UNAFFILIATED WITH RESPECT TO ANY MARKET SEGMENT AND DID NOT HAVE ANY SEGMENT ALTERNATES.

BEGINNING WITH IMPLEMENTATION OF SENATE BILL 2 ON OCTOBER 12, 2021, THE BOARD OF DIRECTORS IS NOW COMPOSED OF ELEVEN DIRECTORS (NINE VOTING AND TWO NON-VOTING). EIGHT OF THE VOTING DIRECTORS ARE INDEPENDENT DIRECTORS. THE REMAINING VOTING DIRECTOR IS THE EX OFFICIO PUBLIC COUNSEL DIRECTOR WHO REPRESENTS RESIDENTIAL AND SMALL COMMERCIAL CONSUMERS. THE TWO NON-VOTING DIRECTORS ARE ALSO EX OFFICIO DIRECTORS, THAT IS, CHAIR OF THE PUBLIC UTILITY COMMISSION OF TEXAS AND ERCOT'S CHIEF EXECUTIVE OFFICER (WHICH WAS PREVIOUSLY A VOTING DIRECTOR POSITION BUT IS NOW NON-VOTING). TWO OF THE 9 VOTING DIRECTOR SEATS WERE NOT FILLED AT YEAR END DECEMBER 31, 2021.

FORM 990, PART VI, SECTION A, LINE 6:

AS OF DECEMBER 31, 2021, ERCOT'S MEMBERSHIP INCLUDED 257 VOTING AND NON-VOTING MEMBERS. ERCOT MEMBERS MAY BE CORPORATE MEMBERS, ASSOCIATE MEMBERS, OR ADJUNCT MEMBERS. CORPORATE MEMBERS HAVE THE RIGHT TO VOTE ON ALL MATTERS SUBMITTED TO THE GENERAL MEMBERSHIP [SUCH AS THE ELECTION OF DIRECTORS, ELECTION OF TECHNICAL ADVISORY COMMITTEE (TAC) REPRESENTATIVES, AND AMENDMENTS TO THE CERTIFICATE OF FORMATION AND BYLAWS]. CORPORATE MEMBERS QUALIFY IN ONE OF SEVEN SEGMENTS: COOPERATIVE; INDEPENDENT GENERATOR; INDEPENDENT POWER MARKETER; INDEPENDENT RETAIL ELECTRIC PROVIDER; INVESTOR OWNED UTILITY; MUNICIPAL (I.E. A MUNICIPAL-OWNED UTILITY OR A RIVER AUTHORITY); OR CONSUMER (WHICH HAS SUBSEGMENTS INCLUDING COMMERCIAL, INDUSTRIAL AND RESIDENTIAL). ASSOCIATE AND ADJUNCT MEMBERS DO NOT HAVE THE RIGHT TO VOTE ON ANY MATTER SUBMITTED TO THE GENERAL

Name of the organization	ELECTRIC RELIABILITY COUNCIL OF TEXAS INC	Employer identification number	74-2587416
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MEMBERSHIP, AND ADJUNCT MEMBERS DO NOT HAVE THE RIGHT TO BE ELECTED OR APPOINTED TO THE ERCOT BOARD, TAC, OR ANY SUBCOMMITTEE OF THE BOARD OR TAC.

FORM 990, PART VI, SECTION A, LINE 7A:

PRIOR TO IMPLEMENTATION OF SENATE BILL 2 ON OCTOBER 12, 2021, THIRTEEN OF THE FIFTEEN VOTING MEMBERS OF THE ERCOT BOARD OF DIRECTORS WERE ELECTED, OR APPOINTED IN LIMITED CIRCUMSTANCES, BY THE CORPORATE MEMBERS OR A PORTION OF SUCH CORPORATE MEMBERS. WITH RESPECT TO EACH OF THE SIX MARKET SEGMENT DIRECTORS WHO DO NOT REPRESENT THE CONSUMER SUBSEGMENTS, ONLY THE CORPORATE MEMBERS OF THE MEMBERSHIP SEGMENT REPRESENTED BY THE MARKET SEGMENT DIRECTOR WERE ALLOWED TO ELECT THE DIRECTOR AND THE SEGMENT ALTERNATE FOR THAT SEAT. THERE WERE THREE CONSUMER DIRECTORS, OF WHICH: (I) ONE WAS THE PUBLIC COUNSEL, AN EX-OFFICIO VOTING MEMBER OF THE BOARD DESIGNATED TO REPRESENT RESIDENTIAL CONSUMERS AND SMALL COMMERCIAL CONSUMERS; (II) ONE WAS ELECTED OR APPOINTED BY THE LARGE COMMERCIAL CONSUMER CORPORATE MEMBERS; AND (III) ONE WAS ELECTED BY THE CORPORATE MEMBERS OF THE INDUSTRIAL CONSUMER SUBSEGMENT. THE FULL CORPORATE MEMBERSHIP VOTED BY SEGMENT TO ELECT THE FIVE UNAFFILIATED VOTING DIRECTORS. THE REMAINING VOTING DIRECTOR WAS THE CHIEF EXECUTIVE OFFICER OF ERCOT, WHO IS AN EX OFFICIO VOTING MEMBER OF THE BOARD.

AFTER IMPLEMENTATION OF SENATE BILL 2, EIGHT OF THE ELEVEN DIRECTORS ARE APPOINTED BY THE ERCOT BOARD SELECTION COMMITTEE. THE ERCOT BOARD SELECTION COMMITTEE IS COMPRISED OF ONE MEMBER APPOINTED BY THE TEXAS GOVERNOR, ONE MEMBER APPOINTED BY THE TEXAS LIEUTENANT GOVERNOR, AND ONE MEMBER APPOINTED BY THE TEXAS SPEAKER OF THE HOUSE OF REPRESENTATIVES. THESE DIRECTORS MUST HAVE EXECUTIVE LEVEL EXPERIENCE IN ANY OF THE FOLLOWING PROFESSIONS: FINANCE, BUSINESS, ENGINEERING (INCLUDING ELECTRICAL ENGINEERING), TRADING, RISK MANAGEMENT, LAW, OR ELECTRIC MARKET DESIGN. THE REMAINING VOTING

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DIRECTOR IS THE EX OFFICIO PUBLIC COUNSEL DIRECTOR. THE TWO NON-VOTING DIRECTORS ARE ALSO EX OFFICIO DIRECTORS, THAT IS, CHAIR OF THE PUBLIC UTILITY COMMISSION OF TEXAS AND ERCOT'S CHIEF EXECUTIVE OFFICER (WHICH WAS PREVIOUSLY A VOTING DIRECTOR POSITION BUT IS NOW NON-VOTING). ALL ELEVEN DIRECTORS MUST BE RESIDENTS OF TEXAS.

FORM 990, PART VI, SECTION A, LINE 7B:

AS A MATTER OF STATE LAW OR ITS GOVERNING DOCUMENTS, CERTAIN MATERIAL MATTERS MUST BE SUBMITTED TO THE VOTING MEMBERS OF ERCOT FOR THEIR APPROVAL. DECISIONS OF THE ERCOT BOARD ARE GENERALLY APPEALABLE TO THE PUBLIC UTILITY COMMISSION OF TEXAS, AN AGENCY OF THE STATE OF TEXAS.

FORM 990, PART VI, SECTION B, LINE 11B:

THE 2021 FORM 990 WAS PREPARED INITIALLY BY THE FINANCE DEPARTMENT OF ERCOT. IT WAS REVIEWED BY ERCOT OFFICERS AS WELL AS INTERNAL LEGAL COUNSEL, AND SUBMITTED FOR REVIEW BY ERCOT'S INDEPENDENT AUDITORS. THE FORM 990 WAS PROVIDED TO THE BOARD OF DIRECTORS IN ADVANCE OF, AND FOR ITS CONSIDERATION AND INPUT AT ITS MEETING ON AUGUST 16, 2022. THE FINAL VERSION OF THE 2021 FORM 990, INCORPORATING THE COMMENTS OF ALL FOREGOING, WAS THEN FILED WITH THE INTERNAL REVENUE SERVICE.

FORM 990, PART VI, SECTION B, LINE 12C:

EACH DIRECTOR ANNUALLY MUST EXECUTE AN ETHICS AGREEMENT FOR DIRECTORS, AND EACH EMPLOYEE ANNUALLY MUST ATTEND INTERNAL TRAINING SESSIONS AND EXECUTE AN EMPLOYEE ETHICS AGREEMENT. PURSUANT TO EACH ETHICS AGREEMENT, A SIGNATORY HAS AN AFFIRMATIVE DUTY TO DISCLOSE ANY ACTUAL OR POTENTIAL CONFLICTS OF INTEREST OF THE SIGNATORY AND ALSO MUST DISCLOSE ALL PERSONAL RELATIONSHIPS WITH ERCOT VENDORS, INCLUDING BUSINESS OR DIRECT OR INDIRECT

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OWNERSHIP INTERESTS. ANY CONFLICT OF INTEREST ISSUE INVOLVING A DIRECTOR IS REFERRED TO THE ERCOT GENERAL COUNSEL WHO, IN CONSULTATION WITH THE BOARD CHAIR AND OUTSIDE LEGAL COUNSEL, IF AND WHEN NECESSARY, MAKES A LEGAL DETERMINATION AS TO WHETHER A CONFLICT EXISTS AND, IF SO, A RECOMMENDATION AS TO HOW IT MAY BE RESOLVED. ANY CONFLICT AND ITS RESOLUTION ARE REPORTED TO THE FULL BOARD OF DIRECTORS AND TO THE HUMAN RESOURCES AND GOVERNANCE (HR&G) COMMITTEE OF THE BOARD, AS NEEDED. ANY OBJECTION TO THE RECOMMENDATION IS RESOLVED BY THE HR&G COMMITTEE OR THE FULL BOARD. ANY ERCOT EMPLOYEE CONFLICTS ARE EVALUATED BY THE ERCOT LEGAL STAFF, AND THE LEGAL STAFF MAKES A RECOMMENDATION TO RESOLVE THE CONFLICT OF INTEREST. IF THE ERCOT LEGAL STAFF RECOMMENDS A RESOLUTION THAT IS OBJECTIONABLE TO THE MANAGER/DIRECTOR/OFFICER OF THE CONFLICTED EMPLOYEE, THE LEGAL DECISION REFERRED TO THE CHIEF EXECUTIVE OFFICER AND ULTIMATELY TO THE BOARD'S HR&G COMMITTEE.

FORM 990, PART VI, SECTION B, LINE 15:

IN DETERMINING COMPENSATION FOR THE CHIEF EXECUTIVE OFFICER, ERCOT FOLLOWS A PROCEDURE WHICH ENSURES THAT (I) COMPENSATION IS APPROVED IN ADVANCE BY THE HR&G COMMITTEE OF THE BOARD OF DIRECTORS AND THE BOARD ITSELF, (II) THE BOARD AND THE HR&G COMMITTEE OBTAINS AND RELIES UPON APPROPRIATE DATA FOR COMPARABILITY, (III) THE BOARD AND THE HR&G COMMITTEE EACH ADEQUATELY DOCUMENTS THE BASIS FOR ITS RESPECTIVE DETERMINATION, AND (IV) THE PUBLIC UTILITY COMMISSION OF TEXAS REVIEWS ANY COMPENSATION TO BE PAID TO THE CHIEF EXECUTIVE OFFICER. IN PRACTICE, THE HR&G COMMITTEE OF THE BOARD OF DIRECTORS REVIEWS PROPOSED CHANGES TO CHIEF EXECUTIVE OFFICER COMPENSATION AND SUBMITS RECOMMENDATIONS TO THE BOARD FOR ITS APPROVAL BY ALL UNINTERESTED MEMBERS OF THE BOARD OF THE DIRECTORS (THAT IS, ALL BOARD MEMBERS EXCEPT THE CHIEF EXECUTIVE OFFICER, WHO IS REQUIRED TO ABSTAIN FROM

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SUCH VOTE). IN ITS REVIEW, THE HR&G COMMITTEE CAN REQUEST INFORMATION FROM INDEPENDENT COMPENSATION CONSULTANTS, AND THE COMMITTEE RECEIVES INFORMATION ANNUALLY IN REGARD TO THE COMPENSATION LEVELS OF SIMILAR ORGANIZATIONS FROM FORMS 990 AND OTHER SOURCES. ADDITIONALLY, COMPENSATION SURVEYS/STUDIES ARE PERFORMED, AS NEEDED, TO PROVIDE INSIGHT INTO THE ELEMENTS OF COMPENSATION. THE COMPENSATION-RELATED INFORMATION AND HR&G COMMITTEE RECOMMENDATIONS ARE SUBMITTED TO THE BOARD OF DIRECTORS FOR ITS CONSIDERATION AND APPROVAL. A REVIEW OF THE CHIEF EXECUTIVE OFFICER'S COMPENSATION IS PERFORMED ANNUALLY EXCEPT IN THOSE LIMITED INSTANCES IN WHICH THE COMPENSATION HAS BEEN DETERMINED PURSUANT TO THE PROVISIONS OF AN EMPLOYMENT AGREEMENT FOR A TERM EXCEEDING A YEAR BETWEEN ERCOT AND THE CHIEF EXECUTIVE OFFICER, WHICH HAS BEEN APPROVED BY THE BOARD OF DIRECTORS, AND ALL DECISIONS REGARDING THE CHIEF EXECUTIVE OFFICER'S COMPENSATION ARE DOCUMENTED AND MAINTAINED. FURTHERMORE, THE PUBLIC UTILITY COMMISSION OF TEXAS SUBSTANTIVE RULES RELATED TO ERCOT GOVERNANCE REQUIRE THAT ALL COMPENSATION TO BE PAID TO THE CHIEF EXECUTIVE OFFICER IS SUBJECT TO REVIEW AND APPROVAL BY THE PUBLIC UTILITY COMMISSION OF TEXAS.

15(B) IN DETERMINING COMPENSATION FOR OFFICERS WHO ARE THE DIRECT REPORTS OF THE CHIEF EXECUTIVE OFFICER, ERCOT FOLLOWS A PROCEDURE WHICH ENSURES THAT (I) COMPENSATION IS FULLY DISCLOSED IN ADVANCE TO THE HR&G COMMITTEE OF THE BOARD OF DIRECTORS, (II) THE HR&G COMMITTEE OBTAINS AND RELIES UPON APPROPRIATE DATA FOR COMPARABILITY, AND (III) THE HR&G COMMITTEE ADEQUATELY DOCUMENTS THE BASIS FOR ITS DETERMINATION. FOR DIRECT REPORTS, THE CHIEF EXECUTIVE OFFICER INFORMS THE HR&G COMMITTEE OF PROPOSED OFFICER PAY AMOUNTS. FOR OFFICERS WHO ARE NOT THE DIRECT REPORTS OF THE CEO OR KEY EMPLOYEES, COMPENSATION IS REVIEWED AND DETERMINED BY THEIR APPROPRIATE OFFICER. FOR REVIEW OF ALL OFFICER AND KEY EMPLOYEE COMPENSATION, ERCOT

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USES PERFORMANCE AND DATA OBTAINED RELATING TO COMPARABLE COMPENSATION OF SIMILARLY QUALIFIED PERSONS IN COMPARABLE POSITIONS AT COMPARABLE ORGANIZATIONS, INCLUDING COMPENSATION SURVEYS AND FORMS 990. THE HR&G COMMITTEE CAN REQUEST INFORMATION FROM INDEPENDENT COMPENSATION CONSULTANTS. OFFICER AND KEY EMPLOYEE COMPENSATION IS REVIEWED ANNUALLY, AND ALL DECISIONS REGARDING OFFICER AND KEY EMPLOYEE COMPENSATION ARE DOCUMENTED AND MAINTAINED.

FORM 990, PART VI, SECTION C, LINE 19:

ERCOT'S GOVERNING DOCUMENTS, CODE OF CONDUCT, AND AUDITED FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC THROUGH THE ERCOT WEBSITE (WWW.ERCOT.COM).

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

DEFERRED PENSION COSTS 3,994.

FORM 990, PART XII, LINE 2C:

NO CHANGE FROM PRIOR YEAR.

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2021

Open to Public Inspection

Name of the organization **ELECTRIC RELIABILITY COUNCIL OF TEXAS
INC** Employer identification number **74-2587416**

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
TEXAS ELECTRIC MARKET STABILIZATION FUNDING M, LLC. - 74-2587416, 8000 METROPOLIS DR (BUILDING E), SUITE 100, AUSTIN, TX 78744	SECURITIZATION BOND SERVICING	DELAWARE	3,272,792.	867,682,125.	ERCOT
TEXAS ELECTRIC MARKET STABILIZATION FUNDING N, LLC. - 74-2587416, 8000 METROPOLIS DR (BUILDING E), SUITE 100, AUSTIN, TX 78744	SECURITIZATION BOND SERVICING	DELAWARE	0.	0.	ERCOT

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2021

ELECTRIC RELIABILITY COUNCIL OF TEXAS

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of **(i)** interest, **(ii)** annuities, **(iii)** royalties, or **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)
- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)
- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)
- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses
- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

	Yes	No
1a		
1b		
1c		
1d		
1e		
1f		
1g		
1h		
1i		
1j		
1k		
1l		
1m		
1n		
1o		
1p		
1q		
1r		
1s		

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**
▶ **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print	Name of exempt organization or other filer, see instructions. ELECTRIC RELIABILITY COUNCIL OF TEXAS INC	Taxpayer identification number (TIN) 74-2587416
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 8000 METROPOLIS DR (BUILDING E), 100	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. AUSTIN, TX 78744	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 | 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12
Form 990-T (corporation)	07		

SEAN TAYLOR, VP AND CFO

- The books are in the care of ▶ **8000 METROPOLIS DR (BUILDING E), 100 - AUSTIN, TX 78744**

Telephone No. ▶ 512-225-7000 Fax No. ▶ _____

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and TINs of all members the extension is for.

1 I request an automatic 6-month extension of time until NOVEMBER 15, 2022, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year 2021 or
▶ tax year beginning _____, and ending _____.

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

3a If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-TE and Form 8879-TE for payment instructions.

IRS e-file Signature Authorization for a Tax Exempt Entity

For calendar year 2021, or fiscal year beginning _____, 2021, and ending _____, 20__

2021

Department of the Treasury
Internal Revenue Service

Do not send to the IRS. Keep for your records.
Go to www.irs.gov/Form8879TE for the latest information.

Name of filer **ELECTRIC RELIABILITY COUNCIL OF TEXAS INC** EIN or SSN **74-2587416**

Name and title of officer or person subject to tax **SEAN TAYLOR VP AND CFO**

Part I Type of Return and Return Information

Check the box for the return for which you are using this Form 8879-TE and enter the applicable amount, if any, from the return. Form 8038-CP and Form 5330 filers may enter dollars and cents. For all other forms, enter whole dollars only. If you check the box on line 1a, 2a, 3a, 4a, 5a, 6a, 7a, 8a, 9a, or 10a below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, 5b, 6b, 7b, 8b, 9b, or 10b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

1a Form 990 check here <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b 252,635,175.
2a Form 990-EZ check here <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b _____
3a Form 1120-POL check here <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part V, line 5)	4b _____
5a Form 8868 check here <input type="checkbox"/>	b Balance due (Form 8868, line 3c)	5b _____
6a Form 990-T check here <input type="checkbox"/>	b Total tax (Form 990-T, Part III, line 4)	6b _____
7a Form 4720 check here <input type="checkbox"/>	b Total tax (Form 4720, Part III, line 1)	7b _____
8a Form 5227 check here <input type="checkbox"/>	b FMV of assets at end of tax year (Form 5227, Item D)	8b _____
9a Form 5330 check here <input type="checkbox"/>	b Tax due (Form 5330, Part II, line 19)	9b _____
10a Form 8038-CP check here <input type="checkbox"/>	b Amount of credit payment requested (Form 8038-CP, Part III, line 22)	10b _____

Part II Declaration and Signature Authorization of Officer or Person Subject to Tax

Under penalties of perjury, I declare that I am an officer of the above entity or I am a person subject to tax with respect to (name of entity) _____, (EIN) _____ and that I have examined a copy of the 2021 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the electronic return and, if applicable, the consent to electronic funds withdrawal.

PIN: check one box only

I authorize **BAKER TILLY US, LLP** to enter my PIN **12345**
ERO firm name Enter five numbers, but do not enter all zeros

as my signature on the tax year 2021 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer or person subject to tax with respect to the entity, I will enter my PIN as my signature on the tax year 2021 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Signature of officer or person subject to tax _____

Date _____

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

39957153202

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2021 electronically filed return indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature **BAKER TILLY US, LLP**

Date **11/08/22**

ERO Must Retain This Form - See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

LHA For Privacy act and Paperwork Reduction Act Notice, see instructions.

Form **8879-TE** (2021)