



**DRAFT GENERAL SESSION MINUTES OF THE
FINANCE AND AUDIT COMMITTEE MEETING
OF ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.**

8000 Metropolis Drive (Building E), Suite 100, Boardroom B
Austin, Texas 78644
October 18, 2022

Pursuant to notice duly given and after determination that a quorum was present, the meeting of the Finance and Audit (F&A) Committee of the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) convened on the above-referenced date.

Meeting Attendance:

Committee Members:

Director	Affiliation/Role (if any)	Voting Category
Aguilar, Carlos	N/A	Voting
England, Julie	N/A	Voting
Flexon, Bob	N/A	Voting
Flores, Bill (Chair)	N/A	Voting
Heeg, Peggy	N/A	Voting

Other Board Members:

Director	Affiliation/Role (if any)	Voting Category
Ekoh, Chris	Office of Public Utility Counsel, Interim Public Counsel	Voting
Foster, Paul	N/A	Voting
Lake, Peter	Public Utility Commission of Texas (PUCT, Commission), Chairman	Non-Voting
Smati, Zin	N/A	Voting
Swainson, John	N/A	Voting
Vegas, Pablo	ERCOT President and Chief Executive Officer (CEO)	Non-Voting

Officers and Guests:

Officer/Guest	Role
Cobos, Lori	PUCT Commissioner



Day, Betty	ERCOT Vice President of Security and Compliance and Chief Compliance Officer
Hobbs, Kristi	ERCOT Vice President of Corporate Strategy and PUC Relations
Jones, Brad	ERCOT Executive Advisor
Levine, Jonathan	ERCOT Assistant General Counsel and Assistant Corporate Secretary
McAdams, Will	PUCT Commissioner
Ögelman, Kenan	ERCOT Vice President of Commercial Operations
Parakkuth, Jayapal	ERCOT Vice President and Chief Information Officer
Rainwater, Kim	ERCOT Corporate Counsel
Rickerson, Woody	ERCOT Vice President of System Planning and Weatherization
Rychetsky, Penny	ERCOT Director of Internal Audit
San Miguel, Senaida	Texas Sunset Advisory Commission, Policy Analyst
Seely, Chad V.	ERCOT Vice President, General Counsel and Corporate Secretary
Spak, Mara	ERCOT Vice President of Human Resources
Tamby, Jeyant	ERCOT Senior Vice President, Chief Administrative Officer and Chief of Staff
Taylor, Sean	ERCOT Vice President and Chief Financial Officer

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

Bill Flores, F&A Committee Chair, determined that a quorum was present and called the F&A Committee meeting to order at approximately 8:31 a.m. Chair Flores recognized PUCT Chairman Peter Lake. Chairman Lake called an Open Meeting of the Commission to order to consider matters that had been duly posted with the Texas Secretary of State for October 18, 2022. Chair Flores highlighted the Antitrust Admonition and addressed the following Agenda Items in the order below.

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

Chair Flores announced that on the agenda for the meeting, which was posted publicly on October 11, 2022, ERCOT had provided instructions for members of the public who were interested in commenting in person and that to date no individuals had expressed interest in commenting, which Chad Seely confirmed.

August 15, 2022 General Session Meeting Minutes (Agenda Item 3)

Chair Flores entertained a motion to approve the August 15, 2022 General Session Meeting Minutes (Minutes).

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

Annual Committee Self-Evaluation Process (Item 4)

Chair Foster noted that a memorandum was included in the meeting materials describing a tentative work plan for the Board's development of standard Committee Self-Evaluation surveys for use beginning in 2023.



Committee Briefs (Agenda Item 5)

Chair Flores invited Sean Taylor to present the Committee Briefs.

Review 2022 Financial Summary (Agenda Item 5.1)

Mr. Taylor presented the 2022 Financial Summary. Committee members and Mr. Taylor discussed the plan, which relies on money received in the anticipated settlement with Brazos Electric Power Cooperative, to fully replenish Congestion Revenue Right (CRR) auction receipts used for market liquidity.

Periodic Report on Investments (Agenda Item 5.2)

Mr. Taylor presented the Periodic Report on Investments. He highlighted that the company had opened a United States Treasury Obligation portfolio in September 2022, and that one investment fund the Subchapter N securitization Special Purpose Entity (SPE) was using had been divested by the SPE to comply with the divestment provisions of Texas Government Code Chapter 809. He also noted that the report now includes summaries of investment fund results for each of the Subchapter M and N securitization SPEs. Committee members and Mr. Taylor discussed prepayment options for the Subchapter M and N bonds. Committee members requested that Mr. Taylor present summarized pay down schedules for the Subchapter M and N bonds at future meeting, and that the summaries for investment fund results for the Subchapter M and N securitization SPEs identify the amount of collateral held versus the amount of payment flow.

Periodic Report on Debt Compliance (Agenda Item 5.3)

Mr. Taylor presented the Periodic Report on Debt Compliance. He announced that this report would be provided at each meeting, rather than only quarterly as had been anticipated when the Committee requested this periodic report several meetings ago.

Future Agenda Items (Agenda Item 6)

Mr. Taylor presented the Future Agenda Items. He highlighted items anticipated for the December 19, 2022 Committee meeting.

Other Business (Agenda Item 7)

No other business was discussed at this time.

Executive Session

Chair Flores recessed General Session at approximately 9:00 a.m. and convened Executive Session at approximately 9:09 a.m. Chair Flores reconvened General Session at approximately 11:01 a.m.

Vote on Matters from Executive Session (Agenda Item 8)

Chair Flores entertained a motion for one matter discussed during Executive Session.

Mr. Flexon moved to approve the selection of the 2022 Quality Assessment Review Auditor discussed in Executive Session under Agenda Item ES 4.4. Ms. England seconded the motion. The motion passed by unanimous voice vote with no abstentions.



Adjournment (Agenda Item 9)

Chair Flores adjourned the meeting at approximately 11:03 a.m.

Committee materials and presentations from the meeting are available on ERCOT's website at http://www.ercot.com/committees/board/finance_audit/.

Jonathan M. Levine
Assistant Corporate Secretary

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