



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

8000 Metropolis Drive (Building E), Suite 100, Boardroom B
Austin, Texas 78744
December 19, 2023

Pursuant to notice duly given, the meeting of the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) convened on the above-referenced date.

Meeting Attendance:

Board Members:

Director	Affiliation/Role (if any)	Voting Category
Aguilar, Carlos	N/A (<i>Via Teleconference; Present for Agenda Items 17 and 18 Only</i>)	Voting
Capuano, Linda	N/A	Voting
England, Julie	N/A	Voting
Flexon, Bob	N/A (<i>Via Teleconference</i>)	Voting
Flores, Bill (Vice Chair)	N/A	Voting
Foster, Paul (Chair)	N/A	Voting
Heeg, Peggy	N/A	Voting
Hjaltman, Courtney	Office of Public Utility Counsel (OPUC) Public Counsel	Voting
Jackson, Kathleen	Public Utility Commission of Texas (PUCT, Commission), Interim Chair	Non-Voting
Swainson, John	N/A	Voting
Vegas, Pablo	ERCOT President and Chief Executive Officer (CEO)	Non-Voting

Officers and Guests:

Officer/Guest	Role
Berlin, Anna	ERCOT Associate Corporate Counsel
Black, Robert	ERCOT Vice President of Public Affairs
Cobos, Lori	PUCT Commissioner
Coleman, Chris	ERCOT Lead Meteorologist
Day, Betty	ERCOT Vice President of Security and Compliance and Chief Compliance Officer
Glotfelty, Jimmy	PUCT Commissioner



Hobbs, Kristi	ERCOT Vice President of System Planning and Weatherization
Levine, Jonathan	ERCOT Assistant General Counsel and Assistant Corporate Secretary
Parakkuth, Jayapal	ERCOT Vice President and Chief Information Officer
Patton, David	Potomac Economics, ERCOT Independent Market Monitor (IMM), President
Rainwater, Kim	ERCOT Corporate Counsel
Rickerson, Woody	ERCOT Senior Vice President and Chief Operating Officer
Rychetsky, Penny	ERCOT Director of Internal Audit
Sams, Bryan	Calpine Corporation (Calpine)
Seely, Chad V.	ERCOT Senior Vice President, General Counsel and Corporate Secretary
Smith, Stephanie	Eolian, LP
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
Woodfin, Dan	ERCOT Vice President of System Operations
Zerwas, Rebecca	ERCOT Director of State Policy and PUC Relations and Board Liaison

Call General Session to Order (Agenda Item 1)

Paul Foster, Board Chair, determined that a quorum was present and called the Board meeting to order at approximately 10:20 a.m.

Chair Foster recognized Kathleen Jackson, Interim Chair of the PUCT. Interim Chair Jackson called an Open Meeting of the Commission to order to consider matters that had been duly posted with the Texas Secretary of State for December 19, 2023. Chair Jackson reported that she had designated Commissioner Cobos as an ERCOT Director beginning January 1, 2024 pursuant to Texas law. Chair Foster recognized Commissioner Will McAdams for his service on the Commission.

Chair Foster highlighted the Antitrust Admonition and reported that Bob Flexon had joined the meeting by teleconference. Chair Foster addressed the following Agenda Items in the order below.

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

Chair Foster announced that on the agenda for the meeting, which was posted publicly on December 12, 2023, ERCOT had provided instructions for members of the public who were interested in commenting in person and that to date one individual, Bryan Sams of Calpine, had registered to comment. Mr. Sams announced Calpine Corporation’s commitment to build a 425 MW simple-cycle gas-fired power plant in Freestone County, and that the plant is expected to be operational before the summer of 2026.



Recognition of Brad Jones (Agenda Item 3)

Chair Foster presented the Recognition of Brad Jones, former ERCOT Interim President and CEO, who passed away in November 2023 after a hard-fought battle with cancer. Chair Foster recognized Brad's commitment and service to ERCOT and the industry. Pablo Vegas commented on Brad's legacy and impact.

Consent Agenda; Unopposed Revision Requests Recommended by TAC for Approval (Agenda Items 4 – 4.1.8)

Chair Foster presented the Consent Agenda, including unopposed Revision Requests recommended by TAC for approval. Mr. Seely reviewed the cost impacts of the Revision Requests. Chair Foster entertained a motion to recommend approval of the Consent Agenda as follows:

- NPRR1181, Submission of Seasonal Coal and Lignite Inventory Declaration;
- NPRR1192, Move OBD to Section 22 – Requirements for Aggregate Load Resource Participation in the ERCOT Markets;
- NPRR1196, Correction of NCLR Ancillary Service Failed Quantity Calculations under NPRR1149;
- NPRR1201, Limitations on Resettlement Timeline and Default Uplift Exposure Adjustments;
- NPRR1204, Considerations of State of Charge with Real-Time Co-Optimization Implementation – URGENT;
- NOGRR257, Removal of Redundant ERS Reporting Requirement;
- PGRR110, Revision to Accommodate Steady-State Node-Breaker Modeling; and
- RMGRR176, Addition of Market Processes Specific to LP&L – URGENT.

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

October 17, 2023 General Session Meeting Minutes (Agenda Item 5)

Chair Foster entertained a motion to approve the October 17, 2023 General Session Meeting Minutes (Minutes).

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

CEO Update (Agenda Item 6)

Pablo Vegas presented the CEO Update. He highlighted the decision not to move forward with the request for proposal (RFP) for Contracts for Capacity during the 2023-2024 Peak Load Season; winter preparation measures; the passage in November 2023 of Proposition 7, which offers low interest funding opportunities for new generation projects, and ERCOT's readiness to manage increased interconnection requests; and ERCOT's new Energy Storage Resource (ESR) dashboard. Mr. Vegas recognized the employees who contributed to the RFP for Contracts for Capacity initiative.



2023-2024 Winter Weather Update (Agenda Item 7)

Chris Coleman presented the 2023-2024 Winter Weather Update. He provided an overview of 2023-2024 winter weather expectations. In response to questions, Mr. Coleman commented on expectations for wind during winter 2023-2024, and Mr. Vegas and Woody Rickerson commented on how ERCOT uses its weather forecasts for planning and other purposes.

Confirmation of 2024 TAC Representatives (Agenda Item 8)

Chair Foster presented the 2024 TAC Representatives and entertained a motion for their confirmation.

Mr. Swainson moved to confirm the 2024 TAC Representatives as presented. Ms. Heeg seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Adjunct Membership Application of Linebacker Power LLC (Agenda Item 9)

Mr. Seely presented the Adjunct Membership Application of Linebacker Power LLC (Linebacker Power) for Membership Year 2024. Chair Foster entertained a motion on Linebacker Power's application.

Julie England moved to approve the Adjunct Membership of Linebacker Power LLC as requested. Vice Chair Flores seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Independent Market Monitor (IMM) Report (Agenda Item 10)

Chair Foster announced that Dr. David Patton presented the Independent Market Monitor (IMM) Report at the Reliability and Markets (R&M) Committee meeting earlier that day.

TAC Report; Non-Unanimous and Other Selected Revision Requests Recommended by TAC for Approval; NPRR1172, Fuel Adder Definition, Mitigated Offer Caps, and RUC Clawback; Reliability and Markets (R&M) Committee Recommendations on Non-Unanimous Revision Requests (Agenda Items 11 – 11.1.1 and 11.2)

Caitlin Smith, TAC Vice Chair, recognized the contributions of 2023 TAC Chair Clif Lange and thanked Emily Jolly for serving as TAC Representative earlier today during the R&M Committee discussion of the 2024 ERCOT Methodologies for Determining Minimum Ancillary Service Requirements. Ms. Smith presented the TAC Report, including TAC's recommendation regarding NPRR1172. Bob Flexon, R&M Committee Chair, commented on the R&M Committee's recommendation regarding NPRR1172.

Mr. Flexon moved to recommend approval of NPRR1172 as recommended by TAC. Ms. England seconded the motion. The motion passed my unanimous voice vote with no abstentions.

Finance and Audit (F&A) Committee Report; 2023 System and Organization Control Audit Report (Agenda Items 12 – 12.1)

Vice Chair Flores, F&A Committee Chair, reported that the F&A Committee met the prior day and highlighted items discussed at the F&A Committee meeting. He presented the F&A Committee's recommendation regarding the Acceptance of 2023 System and Organization



Control Audit Report and reported that the result of the audit was an unmodified “clean” opinion with no reportable exceptions during the 2023 examination.

Vice Chair Flores moved to accept the 2023 System and Organization Control Audit Report as recommended by the F&A Committee. Ms. Heeg seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Acceptance, Adoption and Approval of 2024-2025 Budget and Fee (Agenda Item 12.2)

Vice Chair Flores presented the F&A Committee’s recommendation regarding the Acceptance, Adoption and Approval of 2024-2025 Budget and Fee.

Vice Chair Flores moved to accept, adopt and approve the 2024-2025 Budget and Fee as recommended by the F&A Committee. Ms. Heeg seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Human Resources and Governance (HR&G) Committee Report (Agenda Item 13)

Ms. Heeg, HR&G Committee Chair, reported that the HR&G Committee met the prior day and highlighted items discussed at the HR&G Committee meeting.

Reliability and Markets (R&M) Committee Report; 2024 ERCOT Methodologies for Determining Minimum Ancillary Service Requirements (Agenda Items 14 – 14.1)

Mr. Flexon, R&M Committee Chair, reported the R&M Committee met the previous day and today, and highlighted items discussed at the R&M Committee meeting. He presented the R&M Committee’s recommendation regarding the 2024 ERCOT Methodologies for Determining Minimum Ancillary Service Requirements.

Ms. England moved to approve the 2024 ERCOT Methodologies for Determining Minimum Ancillary Service Requirements as recommended by the R&M Committee. Mr. Swainson seconded the motion. The motion passed by unanimous voice vote with no abstentions.

West Texas Synchronous Condenser Regional Planning Group (RPG) Project (Agenda Item 14.2)

Mr. Flexon presented the R&M Committee’s recommendation regarding the approval of the West Texas Synchronous Condenser RPG Project.

Ms. England moved to approve the West Texas Synchronous Condenser RPG Project as recommended by the R&M Committee. Courtney Hjaltman seconded the motion. The motion passed by unanimous voice vote with no abstentions.

TNMP – Silverleaf and Cowpen 345/138-kV Stations RPG Project (Agenda Item 14.3)

Mr. Flexon presented the R&M Committee’s recommendation regarding the approval of the TNMP – Silverleaf and Cowpen 345/138-kV Stations RPG Project and designation of the project as critical to the reliability of the ERCOT System pursuant to PUCT Substantive Rule 25.101 [16 Tex. Admin. Code § 25.101].



Ms. England moved to approve the TNMP – Silverleaf and Cowpen 345/138-kV Stations RPG Project as recommended by the R&M Committee. Ms. Heeg seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Real-Time Market Price Correction – Security Constrained Economic Dispatch (SCED) Error (Agenda Item 14.4)

Mr. Flexon presented the R&M Committee’s recommendation regarding the approval of the Real-Time Market Price Correction – SCED Error for Operating Day October 22, 2023.

Ms. England moved to approve the Real-Time Market Price Correction – SCED Error as recommended by the R&M Committee. Mr. Swainson seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Technology and Security (T&S) Committee Report; T&S Committee Charter (Agenda Items 15 – 15.1)

Mr. Swainson, T&S Committee Chair, reported the T&S Committee met the previous day and highlighted items discussed at the T&S Committee meeting, including the T&S Committee’s recommendation that the Board approve the T&S Committee Charter.

Mr. Swainson moved to approve the T&S Committee Charter as recommended by the T&S Committee. Linda Capuano seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Other Business (Agenda Item 16)

No other business was discussed at this time.

Executive Session; Vote on Matters from Executive Session (Agenda Item 17)

Chair Foster recessed General Session at approximately 11:49 a.m. and convened Executive Session at approximately 12:10 p.m. Chair Foster reconvened General Session at approximately 2:53 p.m.

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

Vice Chair Flores moved to select Weaver and Tidwell, LLP as the 2024 System and Organization Control Auditor. Ms. Heeg seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Ms. Heeg moved to approve the three personnel matters discussed during Executive Session under Agenda Items ES 2.2.1, ES 2.2.2, and ES 2.2.3. Vice Chair Flores seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Ms. Heeg moved to approve the litigation matter discussed during Executive Session under Agenda Item ES 3.4. Ms. England seconded the motion. The motion passed by unanimous voice vote with no abstentions.



Adjournment (Agenda Item 18)

Chair Foster adjourned the meeting at approximately 2:55 p.m.

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

Jonathan M. Levine
Assistant Corporate Secretary

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