



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
February 27, 2024

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	Voting
Capuano, Linda	N/A	Voting
Cobos, Lori	Public Utility Commission of Texas (PUCT, Commission), Commissioner	Non-Voting
England, Julie	N/A	Voting
Flexon, Bob	N/A	Voting
Flores, Bill (Vice Chair)	N/A	Voting
Foster, Paul (Chair)	N/A	Voting
Gleeson, Thomas	PUCT Chair	Non-Voting
Heeg, Peggy	N/A	Voting
Hjaltman, Courtney	Office of Public Utility Counsel (OPUC), Public Counsel	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
Day, Betty	ERCOT Vice President of Security and Compliance and Chief Compliance Officer
Glotfelty, Jimmy	PUCT Commissioner (<i>Via Teleconference</i>)



Hobbs, Kristi	ERCOT Vice President of System Planning and Weatherization
Jackson, Kathleen	PUCT Commissioner
Levine, Jonathan	ERCOT Assistant General Counsel and Assistant Corporate Secretary
Martin, Collin	Oncor Electric Delivery Company LLC, Technical Advisory Committee (TAC) Vice Chair
Martinez, Adam	ERCOT Vice President of Enterprise Risk and Strategy
Ögelman, Kenan	ERCOT Vice President of Commercial Operations
Parakkuth, Jayapal	ERCOT Senior Vice President and Chief Information Officer
Rainwater, Kim	ERCOT Corporate Counsel
Rickerson, Woody	ERCOT Senior Vice President and Chief Operating Officer
Rychetsky, Penny	ERCOT Director of Internal Audit
Seely, Chad V.	ERCOT Senior Vice President, General Counsel and Corporate Secretary
Smith, Caitlin	Jupiter Power LLC, TAC Chair
Spak, Mara	ERCOT Vice President of Human Resources
Tamby, Jeyant	ERCOT Senior Vice President and Executive Advisor
Taylor, Sean	ERCOT Senior Vice President, Chief Financial Officer and Chief Risk Officer
Tirupati, Venkat	ERCOT Vice President of DevOps and Grid Transformation
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 10:01 a.m.

Chair Foster welcomed new PUCT Chair and *ex officio* Board member Thomas Gleeson to his first Board meeting, and also welcomed Commissioner Lori Cobos to her first meeting as the *ex officio* PUCT Commissioner Board member for 2024. Chair Gleeson called an Open Meeting of the Commission to order to consider matters that had been duly posted with the Texas Secretary of State for February 27, 2024.

Chair Foster highlighted the Antitrust Admonition and 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 February 20, 2024, 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.



Committee of Technical Advisory Committee (TAC) Chair and Vice Chair for 2024 (Agenda Item 3)

Chair Foster reported that Caitlin Smith, Jupiter Power LLC, and Collin Martin, Oncor Electric Delivery Company LLC, were elected by the TAC Representatives as the 2024 TAC Chair and Vice Chair, respectively. Chair Foster entertained a motion for the confirmation of the TAC Chair and Vice Chair.

Board Vice Chair Bill Flores moved to confirm Caitlin Smith of Jupiter Power LLC as 2024 TAC Chair and Collin Martin of Oncor Electric Delivery Company LLC as 2024 TAC Vice Chair. Peggy Heeg seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Consent Agenda; Unopposed Revision Requests Recommended by TAC for Approval (Agenda Items 4 – 4.1.18)

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:

- NRR1170, Submission of Gas Supply Disruption;
- NRR1179, Fuel Purchase Requirements for Resources Submitting RUC Fuel Costs – URGENT;
- NRR1193; Related to SMOGRR027, Move OBD to Settlement Metering Operating Guide – EPS Metering Design Proposal;
- NRR1195, Resource Entity Metering Facilities Maintenance;
- NRR1199, Implementation of Lone Star Infrastructure Protection Act (LSIPA) Requirements – URGENT;
- NRR1206, Revisions to QSE Operations and Termination Requirements, and Elimination of Providing Certain Market Participant Principal Information;
- NRR1207, Incidental Disclosure of Protected Information and ECEII During ERCOT Control Room Tours;
- NRR1208, Creation of Invoice Report;
- NRR1210, Next Start Resource Test and Load Carrying;
- NRR1211, Move OBD to Section 22 – Methodology for Setting Maximum Shadow Prices for Network and Power Balance Constraints;
- NRR1213; Allow DGRs and DESRs on Circuits Subject to Load Shed to Provide ECRS and Clarify Language Regarding DGRs and DESRs Providing Non-Spin;
- LRGRR074, Align Definitions of IDRRQ, LRG, and LRGDG;
- NOGRR261, Move OBD to Section 8 – Procedure for Calculating RRS Limits for Individual Resources;
- PGR109, Dynamic Model Review Process Improvement for Inverter-Based Resource (IBR) Modification;
- RMGRR179, TDSP Temporary Emergency Electric Energy Facility (TEEEF) Deployment Transactional Processing – URGENT;
- SCR825, ERCOT Voice Communications Aggregation;



- SMOGRR027, Move OBD to Settlement Metering Operating Guide – EPS Metering Design Proposal; and
- SMOGRR030, Move OBD to Settlement Metering Operating Guide – EPS Metering Facility Temporary Exemption Request Application Form.

Julie England moved to recommend approval of the Consent Agenda as presented. Courtney Hjaltman seconded the motion. The motion passed by unanimous voice vote with no abstentions.

December 19, 2023 General Session Meeting Minutes (Agenda Item 5)

Chair Foster entertained a motion to approve the December 19, 2023 General Session Meeting Minutes (Minutes).

Vice Chair Flores moved to approve the Minutes as presented. Carlos Aguilar 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 ERCOT grid performance during Winter Storm Heather and the extensive preparation and coordination among ERCOT and others, and key considerations regarding possible future interconnections to neighboring grids. Mr. Vegas reported on the development of standards for Inverter-Based Resources (IBRs). Board members, Mr. Vegas and Dan Woodfin discussed the possible use of batteries as Black Start Resources and the timing of the development of a federal standard by the North American Electric Reliability Corporation (NERC) in relation to ERCOT's work on IBR standards. Mr. Vegas highlighted reliability studies and the development of a reliability plan for growth in the Permian Basin, and he, Board members, and Woody Rickerson discussed the limited visibility into expected generation growth in the area. Mr. Vegas recognized Pengwei Du's recent selection as an IEEE Fellow; the efforts of employees for their work on Winter Storm Heather as well as those involved in developing the Met Center office, which received a design excellence award; and Kenan Ögelman for his contributions to ERCOT and the industry ahead of his upcoming retirement.

Adjunct Membership Application of Enerwise Global Technologies, LLC d/b/a Cpower (Agenda Item 7)

Mr. Seely presented the Adjunct Member Application of Enerwise Global Technologies, LLC d/b/a Cpower (Cpower) for Membership Year 2024. Chair Foster entertained a motion on Cpower's application.

John Swainson moved to approve the Adjunct Membership of Cpower as presented. Ms. Heeg seconded the motion. The motion passed by unanimous voice vote with no abstentions.

TAC Report (Agenda Item 8)

Caitlin Smith, TAC Chair, presented the TAC Report.



Finance and Audit (F&A) Committee Report; F&A Committee Charter; Financial Corporate Standard; Investment Corporate Standard (Agenda Items 9 – 9.3)

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, including the Committee's recommendations regarding the F&A Committee Charter, Financial Corporate Standard, and Investment Corporate Standard, and its approval of the Internal Audit Department Charter.

Vice Chair Flores moved to approve (1) the F&A Committee Charter; (2) the Financial Corporate Standard; and (3) the Investment Corporate Standard, each as recommended by the F&A Committee. Bob Flexon seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Human Resources and Governance (HR&G) Committee Report; HR&G Committee Charter; Election of Chief Executive Officer and Ratification of Officers of ERCOT; Ratification of Officers of Texas Electric Market Stabilization Funding M LLC; Ratification of Officers of Texas Electric Market Stabilization Funding N LLC; 2025 ERCOT Board Meeting and Annual Meeting Schedule and Date Change for 2024 Annual Meeting of Members (Agenda Items 10 – 10.5)

Ms. Heeg, HR&G Committee Chair, reported the HR&G Committee met the prior day and highlighted items discussed at the HR&G Committee meeting, including the Committee's recommendations regarding the HR&G Committee Charter, election of CEO and ratification of officers of ERCOT, ratification of officers of Texas Electric Market Stabilization Funding M LLC (TEMSFM) and Texas Electric Market Stabilization Funding N LLC (TEMSFN), and 2025 ERCOT Board Meeting and Annual Meeting Schedule and Date Change for 2024 Annual Meeting of Members.

Ms. Heeg moved to (1) approve the HR&G Committee Charter; (2) elect Pablo Vegas as CEO and ratify the officers of ERCOT; (3) ratify the officers of TEMSFM; (4) ratify the officers of TEMSFN; and (5) approve the 2025 ERCOT Board Meeting and Annual Meeting Schedule and Date Change for 2024 Annual Meeting of Members, each as recommended by the HR&G Committee. Vice Chair Flores seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Reliability and Markets (R&M) Committee Report; Market Credit Risk Corporate Standard; PUCT Remand of NPRR1186, Improvements Prior to the RTC+B Project for Better ESR State of Change Awareness, Accounting, and Monitoring; TNMP Pecos County Transmission Improved Regional Transmission Group (RPG) Project; Aggregate Distributed Energy Resource (DER) Pilot Project – Phase 2 (Agenda Items 11 – 11.4)

Mr. Flexon, R&M Committee Chair, reported the R&M Committee met the previous day and highlighted items discussed at the R&M Committee meeting, including the Committee's recommendations regarding the Market Credit Risk Corporate Standard; NPRR1186; TNMP Pecos County Transmission Improvement RPG Project; and Aggregate DER Pilot Project – Phase 2.

Mr. Flexon moved to (1) approve the Market Credit Risk Corporate Standard; (2) recommend approval of NPRR1186 as amended by the 2/12/24 ERCOT comments; (3)



approve the TNMP Pecos County Transmission Improvement RPG Project; and (4) approve the Aggregate DER Pilot Project – Phase 2, each as recommended by the R&M Committee. Ms. England seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Technology and Security (T&S) Committee Report (Agenda Item 12)

John Swainson, T&S Committee Chair, reported the T&S Committee met the previous day and highlighted items discussed at the T&S Committee meeting.

2023 Internal Revenue Service Form 990 Questionnaire (Agenda Item 13)

Sean Taylor presented the 2023 Internal Revenue Service (IRS) Form 990 Questionnaire and schedule for filing ERCOT's 2023 IRS Form 990. He noted the requested completion deadline of April 12, 2024.

Other Business (Agenda Item 14)

No other business was discussed at this time.

Executive Session; Vote on Matters from Executive Session (Agenda Item 15)

Chair Foster recessed General Session at approximately 11:01 a.m. and convened Executive Session at approximately 11:13 a.m. Chair Foster reconvened General Session at approximately 3:05 p.m.

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

Vice Chair Flores moved to approve the three risk management matters as discussed during Executive Session under Agenda Items ES 2.1.1, ES 2.2.1, and ES 2.2.2. Mr. Flexon seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Adjournment (Agenda Item 16)

Chair Foster adjourned the meeting at approximately 3:05 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