

Return of Organization Exempt From Income Tax

Form 990

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

2023

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 2023 calendar year, or tax year beginning and ending

B Check if applicable: C Name of organization: ELECTRIC RELIABILITY COUNCIL OF TEXAS INC. D Employer identification number: 74-2587416. E Telephone number: 512-225-7000. G Gross receipts \$: 488,027,967. H(a) Is this a group return for subordinates? Yes [X] No. H(b) Are all subordinates included? Yes No. I Tax-exempt status: 501(c)(3) [X] 501(c)(4) ( ) (insert no.) 4947(a)(1) or 527. J Website: WWW.ERCOT.COM. K Form of organization: [X] Corporation Trust Association Other. L Year of formation: 1990. M State of legal domicile: TX.

Part I Summary

Table with 3 main sections: Activities & Governance (lines 1-7), Revenue (lines 8-12), Expenses (lines 13-19), and Net Assets or Fund Balances (lines 20-22). Includes columns for Prior Year and Current Year.

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.

Signature of officer: RICHARD SCHEEL, SVP, CFO AND CRO. Date: [blank]. Preparer: TROY MARINE, CPA. Date: 11/05/24. PTIN: P00187863. Firm's name: BAKER TILLY ADVISORY GROUP, LP. Firm's address: 790 N. WATER ST., SUITE 2000, MILWAUKEE, WI 53202. Firm's EIN: 39-0859910. Phone no.: 414.777.5500.

May the IRS discuss this return with the preparer shown above? See instructions [X] 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 \$ 216,153,919. including grants of \$ ) (Revenue \$ 371,269,856. )

ERCOT SUCCESSFULLY MANAGES THE FLOW OF ELECTRICITY TO MORE THAN 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 \$ 102,121,687. including grants of \$ ) (Revenue \$ 102,121,687. )

ERCOT ACTS AS THE SERVICER AND ADMINISTRATOR FOR THE SUBCHAPTER N BONDS. UNDER THE ERCOT NODAL PROTOCOLS RELATING TO THE SUBCHAPTER N UPLIFT BALANCE SECURITIZATION, ERCOT BILLS MARKET PARTICIPANTS DAILY IN AMOUNTS SUFFICIENT TO PROVIDE PAYMENTS OF DEBT SERVICE AND OTHER REQUIRED AMOUNTS AND REMITS THOSE FUNDS TO THE TRUSTEE.

4c (Code: ) (Expenses \$ 13,278,479. including grants of \$ ) (Revenue \$ 13,278,479. )

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.

4d Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses 331,554,085.

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> 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> .....		X
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions .....		X
<b>3</b> 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> .....		X
<b>4 Section 501(c)(3) organizations.</b> 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> .....		
<b>5</b> 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> .....		X
<b>6</b> 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> .....		X
<b>7</b> 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> .....		X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> .....		X
<b>9</b> 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> .....	X	
<b>10</b> 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> .....		X
<b>11</b> 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.		
<b>a</b> 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> .....	X	
<b>b</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> .....		X
<b>c</b> 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> .....		X
<b>d</b> 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> .....	X	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> .....	X	
<b>f</b> 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> .....	X	
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> .....		X
<b>b</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> .....	X	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> .....		X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States? .....		X
<b>b</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> .....		X
<b>15</b> 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> .....		X
<b>16</b> 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> .....		X
<b>17</b> 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 .....		X
<b>18</b> 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> .....		X
<b>19</b> 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> .....		X
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> .....		X
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? .....		
<b>21</b> 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> .....		X

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 22 through 38 regarding organizational reporting, compensation, tax-exempt bonds, and controlled entities.

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

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 1a, 1b, and 1c regarding Form 1096, Forms W-2G, and backup withholding rules.

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

Table with columns for question number, question text, and Yes/No response boxes. Includes questions 2a through 17 regarding employee counts, tax returns, gross income, foreign accounts, prohibited transactions, and charitable contributions.

**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
<b>1a</b>	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.		
<b>1b</b>	Enter the number of voting members included on line 1a, above, who are independent		
<b>2</b>	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
<b>3</b>	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
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
<b>6</b>	Did the organization have members or stockholders?	X	
<b>7a</b>	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>7b</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	
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>8a</b>	The governing body?	X	
<b>8b</b>	Each committee with authority to act on behalf of the governing body?	X	
<b>9</b>	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
<b>10a</b>	Did the organization have local chapters, branches, or affiliates?		X
<b>10b</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?		
<b>11a</b>	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
<b>11b</b>	Describe on Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b>	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
<b>12b</b>	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
<b>12c</b>	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done	X	
<b>13</b>	Did the organization have a written whistleblower policy?	X	
<b>14</b>	Did the organization have a written document retention and destruction policy?	X	
<b>15</b>	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?		
<b>15a</b>	The organization's CEO, Executive Director, or top management official	X	
<b>15b</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.		
<b>16a</b>	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>16b</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?		

**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  
 RICHARD SCHEEL - 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, box 6 of 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) PABLO VEGAS BOARD MEMBER; PRESIDENT AND CEO	40.00	X		X				2,126,425.	0.	75,754.
(2) CHAD SEELY SR. VP, GENERAL COUNSEL	40.00			X				965,184.	0.	77,103.
(3) JEYANT TAMBY SR. VP AND CAO & CHIEF OF STAFF	40.00			X				638,708.	0.	80,938.
(4) SEAN TAYLOR VP & CFO	40.00			X				554,962.	0.	73,285.
(5) KENAN OGELMAN VP, COMMERCIAL OPERATIONS	40.00			X				552,368.	0.	55,317.
(6) MARA SPAK VP, HUMAN RESOURCES	40.00			X				544,802.	0.	55,340.
(7) JAYAPAL PARAKKUTH VP & CIO	40.00			X				515,684.	0.	80,049.
(8) DWAYNE RICKERSON SVP & COO	40.00			X				494,853.	0.	75,213.
(9) SALLIE BETTY DAY VP, SECURITY & COMPLIANCE AND CCO	40.00			X				443,420.	0.	75,437.
(10) DAN WOODFIN VP, SYSTEM OPERATIONS	40.00			X				448,177.	0.	60,938.
(11) ROBERT BLACK VP, PUBLIC AFFAIRS	40.00			X				432,176.	0.	74,439.
(12) KRISTI HOBBS VP, SYSTEM PLANNING & WEATHERIZATION	40.00			X				431,032.	0.	71,327.
(13) NATHAN BIGBEE DEPUTY GENERAL COUNSEL	40.00					X		397,477.	0.	75,182.
(14) BRANDON GLEASON DEPUTY GENERAL COUNSEL	40.00					X		379,416.	0.	55,635.
(15) JIMMY HARTMANN DIRECTOR, CONTROL ROOM OPERATIONS	40.00					X		338,717.	0.	67,568.
(16) JONATHAN LEVINE ASST. GC & ASST. CORP. SEC.	40.00			X				301,666.	0.	71,665.
(17) DAVE MAGGIO PRINCIPAL, COMMERCIAL OPERATIONS	40.00					X		316,760.	0.	55,596.

**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) BRYAN HANLEY SR. DIRECTOR, IT INFRASTRUCTURE	40.00					X		297,241.	0.	71,288.
(19) LESLIE WILEY DIRECTOR, TREASURER	40.00				X			292,915.	0.	51,900.
(20) JOHN MESSER DIRECTOR, MARKET APPLICATION SERVICE	40.00						X	255,630.	0.	54,871.
(21) AJAY MANNEPALLI DIRECTOR, IT ARCH. & STRATEGY	40.00						X	239,178.	0.	65,464.
(22) BILL FLORES BOARD MEMBER	4.00	X						150,052.	0.	0.
(23) PEGGY HEEG BOARD MEMBER	4.00	X						138,802.	0.	0.
(24) ROBERT FLEXON BOARD MEMBER	4.00	X						138,802.	0.	0.
(25) JOHN SWAINSON BOARD MEMBER	4.00	X						129,750.	0.	0.
(26) CARLOS AGUILAR BOARD MEMBER	4.00	X						123,500.	0.	0.
<b>1b Subtotal</b>								11,647,697.	0.	1,424,309.
<b>c Total from continuation sheets to Part VII, Section A</b>								203,500.	0.	0.
<b>d Total (add lines 1b and 1c)</b>								11,851,197.	0.	1,424,309.

**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 659

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	X	
<b>4</b> 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>	X	
<b>5</b> 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>		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	6,597,688.
POTOMAC ECONOMICS, LTD, 10560 ARROWHEAD DR, STE 400, FAIRFAX, VA 22030	INDEPENDENT MARKET MONITOR	4,299,166.
HITACHI ENERGY USA, 901 MAIN CAMPUS DR, RALEIGH, NC 27606	IT CONSULTING	3,355,737.
SIRIUS COMPUTER SOLUTIONS, INC PO BOX 202289, DALLAS, TX 75320	IT CONSULTING	2,953,343.
WINSTEAD PC, 2728 N. HARWOOD ST, STE 500, DALLAS, TX 75201	LEGAL SERVICES	1,812,015.

**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





**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	<b>1 a</b> Federated campaigns .....	<b>1a</b>					
	<b>b</b> Membership dues .....	<b>1b</b>					
	<b>c</b> Fundraising events .....	<b>1c</b>					
	<b>d</b> Related organizations .....	<b>1d</b>					
	<b>e</b> Government grants (contributions) .....	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above ...	<b>1f</b>					
	<b>g</b> Noncash contributions included in lines 1a-1f .....	<b>1g</b> \$					
	<b>h Total.</b> Add lines 1a-1f .....						
Program Service Revenue	<b>2 a</b> SYSTEM ADMINISTRATION	Business Code					
		221000	247,479,363.	247,479,363.			
	<b>b</b> SECURITIZATION CHARGES	221000	114,541,781.	114,541,781.			
	<b>c</b> WEATHERIZATION INSPECT	221000	4,633,307.	4,633,307.			
	<b>d</b> CONNECTIVITY TO ERCOT	221000	4,557,721.	4,557,721.			
	<b>e</b> WAN	221000	2,469,608.	2,469,608.			
	<b>f</b> All other program service revenue .....	221000	1,184,146.	1,184,146.			
	<b>g Total.</b> Add lines 2a-2f .....		374,865,926.				
Other Revenue	<b>3</b> Investment income (including dividends, interest, and other similar amounts) .....		113,162,041.	111,804,096.		1,357,945.	
	<b>4</b> Income from investment of tax-exempt bond proceeds .....						
	<b>5</b> Royalties .....						
	<b>6 a</b> Gross rents .....	<b>6a</b>	(i) Real				
			(ii) Personal				
	<b>b</b> Less: rental expenses ...	<b>6b</b>					
	<b>c</b> Rental income or (loss)	<b>6c</b>					
	<b>d</b> Net rental income or (loss) .....						
	<b>7 a</b> Gross amount from sales of assets other than inventory .....	<b>7a</b>	(i) Securities				
			(ii) Other				
	<b>b</b> Less: cost or other basis and sales expenses .....	<b>7b</b>					
	<b>c</b> Gain or (loss) .....	<b>7c</b>					
	<b>d</b> Net gain or (loss) .....						
<b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 .....	<b>8a</b>						
<b>b</b> Less: direct expenses .....	<b>8b</b>						
<b>c</b> Net income or (loss) from fundraising events .....							
<b>9 a</b> Gross income from gaming activities. See Part IV, line 19 .....	<b>9a</b>						
<b>b</b> Less: direct expenses .....	<b>9b</b>						
<b>c</b> Net income or (loss) from gaming activities .....							
<b>10 a</b> Gross sales of inventory, less returns and allowances .....	<b>10a</b>						
<b>b</b> Less: cost of goods sold .....	<b>10b</b>						
<b>c</b> Net income or (loss) from sales of inventory .....							
Miscellaneous Revenue	<b>11 a</b> _____	Business Code					
	<b>b</b> _____						
	<b>c</b> _____						
	<b>d</b> All other revenue .....						
	<b>e Total.</b> Add lines 11a-11d .....						
<b>12 Total revenue.</b> See instructions .....			488,027,967.	486,670,022.	0.	1,357,945.	

**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
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...				
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22 .....				
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 .....				
<b>4</b> Benefits paid to or for members .....				
<b>5</b> Compensation of current officers, directors, trustees, and key employees .....	10,605,484.	2,784,959.	7,820,525.	
<b>6</b> Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) .....				
<b>7</b> Other salaries and wages .....	120,250,734.	94,611,337.	25,639,397.	
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	18,127,932.	14,883,150.	3,244,782.	
<b>9</b> Other employee benefits .....	10,921,327.	8,577,201.	2,344,126.	
<b>10</b> Payroll taxes .....	9,717,467.	7,742,893.	1,974,574.	
<b>11</b> Fees for services (nonemployees):				
<b>a</b> Management .....				
<b>b</b> Legal .....	1,817,703.	308,998.	1,508,705.	
<b>c</b> Accounting .....	307,050.	66,000.	241,050.	
<b>d</b> Lobbying .....				
<b>e</b> Professional fundraising services. See Part IV, line 17				
<b>f</b> Investment management fees .....	509,315.		509,315.	
<b>g</b> Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	16,550,049.	13,938,708.	2,611,341.	
<b>12</b> Advertising and promotion .....				
<b>13</b> Office expenses .....	1,228,012.	827,402.	400,610.	
<b>14</b> Information technology .....	3,131,154.	3,091,026.	40,128.	
<b>15</b> Royalties .....				
<b>16</b> Occupancy .....	5,432,832.	173,850.	5,258,982.	
<b>17</b> Travel .....	1,032,770.	631,623.	401,147.	
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
<b>19</b> Conferences, conventions, and meetings .....	1,163,947.	353,670.	810,277.	
<b>20</b> Interest .....	116,178,913.	114,997,722.	1,181,191.	
<b>21</b> Payments to affiliates .....				
<b>22</b> Depreciation, depletion, and amortization .....	34,690,611.	27,144,149.	7,546,462.	
<b>23</b> Insurance .....	7,417,816.		7,417,816.	
<b>24</b> 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.)				
<b>a</b> <b>HARDWARE AND SOFTWARE</b>	40,284,359.	38,629,069.	1,655,290.	
<b>b</b> <b>DUES AND SUBSCRIPTIONS</b>	3,050,832.	2,593,272.	457,560.	
<b>c</b> _____				
<b>d</b> _____				
<b>e</b> All other expenses _____	372,751.	199,056.	173,695.	
<b>25</b> <b>Total functional expenses.</b> Add lines 1 through 24e	402,791,058.	331,554,085.	71,236,973.	0.
<b>26</b> <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

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

		(A)		(B)
		Beginning of year		End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....	34,717,030.	<b>1</b>	57,081,151.
	<b>2</b> Savings and temporary cash investments .....	4,195,436,322.	<b>2</b>	3,294,190,716.
	<b>3</b> Pledges and grants receivable, net .....		<b>3</b>	
	<b>4</b> Accounts receivable, net .....	24,221,179.	<b>4</b>	30,031,126.
	<b>5</b> 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 .....		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) .....		<b>6</b>	
	<b>7</b> Notes and loans receivable, net .....		<b>7</b>	
	<b>8</b> Inventories for sale or use .....		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges .....	36,147,002.	<b>9</b>	41,701,109.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b> 1,090,384,267.		
	<b>b</b> Less: accumulated depreciation .....	<b>10b</b> 906,143,021.	180,551,167.	<b>10c</b> 184,241,246.
	<b>11</b> Investments - publicly traded securities .....	0.	<b>11</b>	585,099,840.
	<b>12</b> Investments - other securities. See Part IV, line 11 .....		<b>12</b>	
	<b>13</b> Investments - program-related. See Part IV, line 11 .....		<b>13</b>	
	<b>14</b> Intangible assets .....		<b>14</b>	
	<b>15</b> Other assets. See Part IV, line 11 .....	2,493,314,954.	<b>15</b>	2,443,348,815.
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 33) .....	6,964,387,654.	<b>16</b>	6,635,694,003.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	96,284,433.	<b>17</b>	100,098,110.
	<b>18</b> Grants payable .....		<b>18</b>	
	<b>19</b> Deferred revenue .....	7,669,988.	<b>19</b>	9,002,488.
	<b>20</b> Tax-exempt bond liabilities .....		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....	2,349,256,338.	<b>21</b>	3,776,151,267.
	<b>22</b> 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 .....		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties .....	2,934,992,842.	<b>23</b>	2,499,167,946.
	<b>24</b> Unsecured notes and loans payable to unrelated third parties .....		<b>24</b>	
	<b>25</b> 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 .....	1,421,081,879.	<b>25</b>	878,617.
	<b>26 Total liabilities.</b> Add lines 17 through 25 .....	6,809,285,480.	<b>26</b>	6,385,298,428.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow FASB ASC 958, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27, 28, 32, and 33.</b>			
	<b>27</b> Net assets without donor restrictions .....	155,102,174.	<b>27</b>	250,395,575.
	<b>28</b> Net assets with donor restrictions .....		<b>28</b>	
	<b>Organizations that do not follow FASB ASC 958, check here</b> <input type="checkbox"/> <b>and complete lines 29 through 33.</b>			
	<b>29</b> Capital stock or trust principal, or current funds .....		<b>29</b>	
	<b>30</b> Paid-in or capital surplus, or land, building, or equipment fund .....		<b>30</b>	
	<b>31</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>31</b>	
	<b>32</b> Total net assets or fund balances .....	155,102,174.	<b>32</b>	250,395,575.
<b>33</b> Total liabilities and net assets/fund balances .....	6,964,387,654.	<b>33</b>	6,635,694,003.	

Form 990 (2023)

**Part XI Reconciliation of Net Assets**

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

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	488,027,967.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	402,791,058.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	85,236,909.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	<b>4</b>	155,102,174.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	10,056,492.
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain on Schedule O)	<b>9</b>	0.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	<b>10</b>	250,395,575.

**Part XII Financial Statements and Reporting**

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

		Yes	No
<b>1</b>	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.		
<b>2a</b>	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>b</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	
<b>c</b>	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	
<b>3a</b>	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F? _____		X
<b>b</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 _____		

Form 990 (2023)

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

2023

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 of easements, conservation contribution details (2a-2d), number of modified easements, states where located, monitoring policy, staff hours, expenses, and requirements for section 170(h)(4)(B)(i) and (ii).

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 reporting requirements for art and historical treasures (1a, 1b) and amounts required to be reported (2a, 2b).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule D (Form 990) 2023

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply).
a Public exhibition
b Scholarly research
c Preservation for future generations
d Loan or exchange program
e Other
4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

Part IV Escrow and Custodial Arrangements Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X?
b If "Yes," explain the arrangement in Part XIII and complete the following table:
c Beginning balance
d Additions during the year
e Distributions during the year
f Ending balance
2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?
b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Table with 2 columns: Description, Amount. Rows: 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance.

Part V Endowment Funds Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

Table with 6 columns: (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows: 1a Beginning of year balance, b Contributions, c Net investment earnings, gains, and losses, d Grants or scholarships, e Other expenditures for facilities and programs, f Administrative expenses, g End of year balance.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment %
b Permanent endowment %
c Term endowment %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) Unrelated organizations?
(ii) Related organizations?

Table with 2 columns: Yes, No. Rows: 3a(i), 3a(ii), 3b.

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Table with 5 columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows: 1a Land, b Buildings, c Leasehold improvements, d Equipment, e Other, Total.

**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)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, line 12, col. (B))		

**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)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, line 13, col. (B))		

**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	2,388,483,565.
(2) SECURITIZATION CHARGES, CURRENT	53,850,263.
(3) OPERATING LEASE ROU ASSET, NON-CURRENT	914,745.
(4) 401K FORFEITURES/RCP	100,242.
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, line 15, col. (B))	2,443,348,815.

**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) OPERATING LEASE LIABILITY, NON-CURRENT	507,794.
(3) ACCR. POST RET. BENEFIT OBLIGATION	195,730.
(4) OPERATING LEASE LIABILITY, CURRENT	175,093.
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, line 25, col. (B))	878,617.

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.

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

**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.

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

**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.

MARKET PARTICIPANTS NOT MEETING CERTAIN CREDITWORTHINESS STANDARDS

REFERENCED IN ERCOT PROTOCOLS MUST MAINTAIN A MEANS OF SECURITY WITH THE

COMPANY IN ORDER TO MITIGATE MARKET CREDIT RISK. MARKET PARTICIPANTS HAVE

DISCRETION IN THE MEANS OF SECURITY, SUCH AS CORPORATE GUARANTIES, LETTERS

OF CREDIT, SURETY BONDS, OR CASH SECURITY DEPOSITS PROVIDED THE MARKET

PARTICIPANTS REMAIN IN COMPLIANCE WITH 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 IX, LINE 3, PART X, LINE 1, ROWS 2 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)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

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](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2023**

Open to Public  
Inspection

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 .....

**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? .....

**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? .....
- b** Participate in or receive payment from a supplemental nonqualified retirement plan? .....
- c** Participate in or receive payment from an equity-based compensation arrangement? .....
- 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? .....
- b** Any related organization? .....
- 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? .....
- b** Any related organization? .....
- 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 .....

**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 .....

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

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

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

Schedule J (Form 990) 2023

**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) PABLO VEGAS BOARD MEMBER; PRESIDENT AND CEO	(i)	983,740.	760,000.	382,685.	43,500.	32,254.	2,202,179.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) CHAD SEELY SR. VP, GENERAL COUNSEL	(i)	495,414.	354,083.	115,687.	46,851.	30,252.	1,042,287.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) JEYANT TAMBY SR. VP AND CAO & CHIEF OF STAFF	(i)	471,376.	57,167.	110,165.	47,850.	33,088.	719,646.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) SEAN TAYLOR VP & CFO	(i)	367,560.	112,311.	75,091.	47,850.	25,435.	628,247.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) KENAN OGELMAN VP, COMMERCIAL OPERATIONS	(i)	366,967.	118,977.	66,424.	45,739.	9,578.	607,685.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) MARA SPAK VP, HUMAN RESOURCES	(i)	360,612.	111,246.	72,944.	43,500.	11,840.	600,142.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) JAYAPAL PARAKKUTH VP & CIO	(i)	363,784.	44,558.	107,342.	46,641.	33,408.	595,733.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) DWAYNE RICKERSON SVP & COO	(i)	384,285.	44,034.	66,534.	47,569.	27,644.	570,066.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) SALLIE BETTY DAY VP, SECURITY & COMPLIANCE AND CCO	(i)	340,331.	33,330.	69,759.	47,850.	27,587.	518,857.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) DAN WOODFIN VP, SYSTEM OPERATIONS	(i)	344,246.	41,400.	62,531.	43,542.	17,396.	509,115.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(11) ROBERT BLACK VP, PUBLIC AFFAIRS	(i)	358,720.	7,300.	66,156.	43,500.	30,939.	506,615.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(12) KRISTI HOBBS VP, SYSTEM PLANNING & WEATHERIZATION	(i)	331,630.	31,930.	67,472.	43,500.	27,827.	502,359.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(13) NATHAN BIGBEE DEPUTY GENERAL COUNSEL	(i)	327,060.	70,000.	417.	43,500.	31,682.	472,659.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(14) BRANDON GLEASON DEPUTY GENERAL COUNSEL	(i)	309,027.	70,000.	389.	43,500.	12,135.	435,051.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(15) JIMMY HARTMANN DIRECTOR, CONTROL ROOM OPERATIONS	(i)	268,342.	70,033.	342.	43,500.	24,068.	406,285.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(16) JONATHAN LEVINE ASST. GC & ASST. CORP. SEC.	(i)	251,088.	50,260.	318.	44,151.	27,514.	373,331.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.

**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) DAVE MAGGIO PRINCIPAL, COMMERICAL OPERATIONS	(i)	251,377.	65,065.	318.	43,500.	12,096.	372,356.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(18) BRYAN HANLEY SR. DIRECTOR, IT INFRASTRUCTURE	(i)	296,865.	0.	376.	43,500.	27,788.	368,529.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(19) LESLIE WILEY DIRECTOR, TREASURER	(i)	227,243.	65,387.	285.	42,526.	9,374.	344,815.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(20) JOHN MESSER DIRECTOR, MARKET APPLICATION SERVICE	(i)	255,308.	0.	322.	37,359.	17,512.	310,501.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(21) AJAY MANNEPALLI DIRECTOR, IT ARCH. & STRATEGY	(i)	238,873.	0.	305.	35,351.	30,113.	304,642.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(22) BILL FLORES BOARD MEMBER	(i)	150,052.	0.	0.	0.	0.	150,052.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(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:

SHORT-TERM INCENTIVE PLAN (STIP) - ALL ERCOT EMPLOYEES ARE ELIGIBLE

PARTICIPANTS IN THE STIP. TARGET AMOUNTS ARE DETERMINED BY JOB LEVEL AND

WEIGHTINGS DIFFER BETWEEN EXECUTIVE STAFF AND NON-EXECUTIVE STAFF.

WEIGHTINGS ARE BASED ON THE COMPLETION OF CORPORATE GOALS AND EMPLOYEE

PERFORMANCE GOALS. ANNUAL INCENTIVE PAYMENTS ARE GRANTED IN Q1 OF THE

FOLLOWING YEAR IN WHICH EARNED.

LONG TERM INCENTIVE PLAN (LTIP) - ERCOT EXECUTIVES, DIRECTORS, AND

PRINCIPALS ARE ELIGIBLE PARTICIPANTS IN THE LTIP. THE LTIP PERFORMANCE

PERIOD IS A THREE-YEAR DURATION AND PAYMENTS ARE PAID IN Q1 OF THE YEAR

FOLLOWING THE PERFORMANCE PERIOD. TARGET AMOUNTS ARE DETERMINED BY JOB

LEVEL AND WEIGHTS BASED ON THE COMPLETION OF CORPORATE GOALS FOR THE

PERFORMANCE PERIOD.

**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](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2023**

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 54,100 MILES OF

TRANSMISSION LINES AND 1,250 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 VI, SECTION A, LINE 1A:

ERCOT IS GOVERNED BY A BOARD OF DIRECTORS COMPOSED OF 12 DIRECTORS (NINE

VOTING, AND THREE NON-VOTING). EIGHT OF THE VOTING DIRECTORS ARE SELECTED

BY A STATUTORILY CREATED ERCOT BOARD SELECTION COMMITTEE AND MAY NOT HAVE

FIDUCIARY DUTY OR ASSETS IN THE ELECTRICITY MARKET FOR THE ERCOT REGION.

THE REMAINING VOTING DIRECTOR IS AN EX OFFICIO DIRECTOR, THE PUBLIC

COUNSEL. THE THREE NON-VOTING DIRECTORS ARE ALSO EX OFFICIO, THAT IS, THE

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

Schedule O (Form 990) 2023

LHA 332211 11-14-23

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CHAIR OF THE PUBLIC UTILITY COMMISSION OF TEXAS, A SECOND COMMISSIONER OF  
THE PUBLIC UTILITY COMMISSION OF TEXAS WHO ROTATES ANNUALLY, AND ERCOT'S  
CHIEF EXECUTIVE OFFICER.

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

AS OF DECEMBER 31, 2023, ERCOT'S MEMBERSHIP INCLUDED 340 VOTING AND  
NON-VOTING MEMBERS. ERCOT MEMBERS MAY BE CORPORATE MEMBERS, ASSOCIATE  
MEMBERS, OR ADJUNCT MEMBERS. CORPORATE AND ASSOCIATE 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). AN ENTITY MAY BE APPROVED FOR ADJUNCT MEMBERSHIP BY THE BOARD  
OF DIRECTORS IF SUCH ENTITY DOES NOT MEET THE DEFINITIONS AND REQUIREMENTS  
TO JOIN AS A CORPORATE OR ASSOCIATE MEMBER. CORPORATE MEMBERS HAVE THE  
RIGHT TO SELECT TECHNICAL ADVISORY COMMITTEE (TAC) AND TAC SUBCOMMITTEE  
REPRESENTATIVES AND THE RIGHT TO BE ELECTED OR APPOINTED TO TAC AND TAC  
SUBCOMMITTEES. ASSOCIATE AND ADJUNCT MEMBERS DO NOT HAVE THE RIGHT TO  
SELECT TAC AND TAC SUBCOMMITTEE REPRESENTATIVES, AND ADJUNCT MEMBERS DO NOT  
HAVE THE RIGHT TO BE ELECTED OR APPOINTED TO TAC OR TAC SUBCOMMITTEES.

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

EIGHT OF THE TWELVE 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,



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ENGINEERING (INCLUDING ELECTRICAL ENGINEERING), TRADING, RISK MANAGEMENT,  
LAW, OR ELECTRIC MARKET DESIGN. THE REMAINING VOTING DIRECTOR IS THE EX  
OFFICIO PUBLIC COUNSEL DIRECTOR. THE THREE NON-VOTING DIRECTORS ARE ALSO EX  
OFFICIO DIRECTORS, THAT IS, CHAIR OF THE PUBLIC UTILITY COMMISSION OF  
TEXAS, A SECOND COMMISSIONER OF THE PUBLIC UTILITY COMMISSION OF TEXAS WHO  
ROTATES ANNUALLY, AND ERCOT'S CHIEF EXECUTIVE OFFICER. ALL TWELVE DIRECTORS  
MUST BE RESIDENTS OF STATE OF TEXAS.

FORM 990, PART VI, SECTION A, LINE 7B:  
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 2023 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 JUNE 18, 2024. THE FINAL VERSION OF THE 2023  
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

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

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

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

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OFFICER. FOR REVIEW OF ALL OFFICER AND KEY EMPLOYEE COMPENSATION, ERCOT  
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. COMPENSATION OF THE CHIEF EXECUTIVE OFFICER'S DIRECT REPROTS  
IS REVIEWED ANNUALLY BY THE HR&G COMMITTEE, AND ALL DECISIONS REGARDING  
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).

**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](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2023**

**Open to Public Inspection**

Name of the organization ELECTRIC RELIABILITY COUNCIL OF TEXAS INC	Employer identification number 74-2587416
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**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	13,278,479.	427,377,172.	ERCOT
TEXAS ELECTRIC MARKET STABILIZATION FUNDING N, LLC. - 74-2587416, 8000 METROPOLIS DR (BUILDING E), SUITE 100, AUSTIN, TX 78744	SECURITIZATION BOND SERVICING	DELAWARE	102,121,687.	2,126,349,120.	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) 2023



**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?

	Yes	No
<b>a</b> Receipt of <b>(i)</b> interest, <b>(ii)</b> annuities, <b>(iii)</b> royalties, or <b>(iv)</b> rent from a controlled entity .....	<b>1a</b>	
<b>b</b> Gift, grant, or capital contribution to related organization(s) .....	<b>1b</b>	
<b>c</b> Gift, grant, or capital contribution from related organization(s) .....	<b>1c</b>	
<b>d</b> Loans or loan guarantees to or for related organization(s) .....	<b>1d</b>	
<b>e</b> Loans or loan guarantees by related organization(s) .....	<b>1e</b>	
<b>f</b> Dividends from related organization(s) .....	<b>1f</b>	
<b>g</b> Sale of assets to related organization(s) .....	<b>1g</b>	
<b>h</b> Purchase of assets from related organization(s) .....	<b>1h</b>	
<b>i</b> Exchange of assets with related organization(s) .....	<b>1i</b>	
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) .....	<b>1j</b>	
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) .....	<b>1k</b>	
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) .....	<b>1l</b>	
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) .....	<b>1m</b>	
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) .....	<b>1n</b>	
<b>o</b> Sharing of paid employees with related organization(s) .....	<b>1o</b>	
<b>p</b> Reimbursement paid to related organization(s) for expenses .....	<b>1p</b>	
<b>q</b> Reimbursement paid by related organization(s) for expenses .....	<b>1q</b>	
<b>r</b> Other transfer of cash or property to related organization(s) .....	<b>1r</b>	
<b>s</b> Other transfer of cash or property from related organization(s) .....	<b>1s</b>	

**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)			





**Part VII Supplemental Information**

Provide additional information for responses to questions on Schedule R. See instructions.

Multiple horizontal lines for supplemental information.