



**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  
April 7-8, 2025

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:**

<b>Director</b>	<b>Affiliation/Role (if any)</b>	<b>Voting Category</b>
Barkley, Ben	Office of Public Utility Counsel (OPUC) Chief Executive and Public Counsel	Voting
Capuano, Linda	N/A	Voting
Cornelius, Sig	N/A	Voting
England, Julie	N/A	Voting
Flores, Bill (Chair)	N/A	Voting
Gleeson, Thomas	Public Utility Commission of Texas (PUCT, Commission) Chair	Non-Voting
Heeg, Peggy (Vice Chair)	N/A	Voting
Hernandez, Alex	N/A	Voting
Jackson, Kathleen	PUCT Commissioner	Non-Voting
Swainson, John	N/A	Voting
Vegas, Pablo	ERCOT President and Chief Executive Officer (CEO)	Non-Voting

**Officers and Guests:**

<b>Officer/Guest</b>	<b>Role</b>
Bonser, Drew	ERCOT Vice President and Chief Information Security Officer
Boren, Ann	ERCOT Senior Manager of Market Rules and Stakeholder Support
Collins, Keith	ERCOT Vice President of Commercial Operations
Drake, Gordon	ERCOT Director, Market Design and Analysis
English, Barksdale	PUCT Deputy Executive Director
Gleason, Brandon	ERCOT Vice President, Legal and Compliance, and Assistant Corporate Secretary



Hjaltman, Courtney	PUCT Commissioner
Hobbs, Kristi	ERCOT Vice President of System Planning and Weatherization
Hughes, Gilbert	ERCOT Vice President of Public Affairs
Maggio, David ( <i>Via Teleconference</i> )	ERCOT Principal, Commercial Operations
Martinez, Adam	ERCOT Vice President of Enterprise Risk and Strategy
McDonald, Jeff	Potomac Economics, ERCOT Independent Market Monitor (IMM) Director
Mereness, Matt	ERCOT Senior Director of Strategic Market Design Programs and Delivery
Orrenius, Pia	Federal Reserve Bank of Dallas Vice President
Parakkuth, Jayapal	ERCOT Senior Vice President and Chief Digital Officer
Rainwater, Kim	ERCOT Senior Corporate Counsel
Rickerson, Woody	ERCOT Senior Vice President and Chief Operating Officer
Rychetsky, Penny	ERCOT Director of Internal Audit
Rydell, Brandt	ERCOT Deputy General Counsel
Scheel, Richard	ERCOT Senior Vice President, Chief Financial Officer, and Chief Risk Officer
Seely, Chad V.	ERCOT Senior Vice President, Regulatory Policy, General Counsel, Chief Compliance Officer, and Corporate Secretary
Smith, Caitlin	Jupiter Power LLC, Technical Advisory Committee (TAC) Chair
Spak, Mara	ERCOT Vice President of Human Resources
Woodfin, Dan	ERCOT Vice President of System Operations
Zerwas, Rebecca	ERCOT Director of State Policy and PUC Relations, Board Liaison

### **Call General Session to Order (Agenda Item 1)**

Bill Flores, Board Chair, determined that a quorum was present and called the meeting of the ERCOT Board of Directors (Board) to order at approximately 3:00 p.m. on April 7, 2025.

Chair Flores recognized PUCT Chairman Thomas Gleeson. Chairman Gleeson called an Open Meeting of the Commission to order to consider matters that had been duly posted with the Secretary of State for April 7, 2025.

Chair Flores highlighted the Antitrust Admonition and acknowledged former Board member Carlos Aguilar, who recently resigned from the Board to manage other opportunities. Carlos was one of the first two members appointed in October 2021 under the new Senate Bill 2 framework. Chair Flores informed the Board he has notified the Board Selection Committee of the vacancy and they will begin the selection process in the coming weeks.

Chair Flores also announced, due to a governance change of moving all Reliability and Markets Committee matters to the full Board, future Board meetings will likely span two days. While some discussion items may shift between days, voting items will remain on their scheduled days to ensure the public has clarity on when to provide comment.



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

Chair Flores noted that the agenda for the meeting, posted publicly on March 31, 2025, included instructions for members of the public wishing to provide in-person comments. However, no individuals had expressed interest in doing so, as confirmed by Chad Seely. Chair Flores then proceeded with the agenda items in the order presented below.

### **Dissolve Establishment and Appointment of Reliability and Markets (R&M) Committee (Agenda Item 3)**

Chair Flores explained that, during the Special Meeting of the Board on February 25, 2025, he moved the jurisdiction of the R&M Committee back to the full Board to allow all Board members more direct participation in the policy matters associated with the core functions of operations, planning and markets, and the mission of ERCOT.

**Motion by John Swainson, seconded by Peggy Heeg, to dissolve the establishment and appointment of the R&M Committee. Motion passed by unanimous voice vote with no abstentions.**

### **February 3, 2025 Reliability and Markets Committee General Session Meeting Minutes (Agenda Item 4)**

Chair Flores introduced the draft minutes from the R&M Committee's meeting on February 3, 2025 and invited any corrections. Hearing none, and in accordance with *Robert's Rules of Order*, the minutes were deemed approved as presented.

### **Commercial Markets; Recommendation regarding Real-Time Market Price Correction – Incorrect Resource Telemetry MW When QSE Sends Suspect Quality Telemetry (Agenda Items 5 and 5.1)**

Gordon Drake presented the Recommendation regarding Real-Time Market Price Correction – Incorrect Resource Telemetry MW Values When QSE Sends Suspect Quality Telemetry. He noted the price correction included a refinement to the emergency settlement process and that staff would provide stakeholder education at the Wholesale Market Working Group (WMWG) on both ERCOT's price correction process, generally, and specifics for the change going forward. Mr. Drake and Board members discussed the methodology refinement, which makes eligible for make-whole payments only Resources that were not dispatched that would have otherwise been dispatched.

**Motion by Mr. Swainson, seconded by Linda Capuano, to approve the Recommendation regarding Real-Time Market Price Correction – Incorrect Resource Telemetry MW Values When QSE Sends Suspect Quality Telemetry, as presented. Motion passed by unanimous voice vote with no abstentions.**

### **Independent Market Monitor (IMM) Report (Agenda Item 5.2)**

Jeff McDonald presented the IMM Report. He and Board members discussed factors beyond load shed that demonstrate a capacity shortage resulting in higher prices, signaling to the market to perform or make new investment. The discussion included the approval process for modifying the methodology for the Operational Reserve Demand Curve (ORDC) to narrow the gap in market revenue between averting retirement and investment in new capacity. Also addressed



was how to determine capacity and revenue needs to design new products that help meet the Reliability Standard. Additionally, the conversation addressed the function of Effective Load-Carrying Capability (ELCC) to plan for a Resource type's potential contribution to reliability and applicability of the ELCC concept to all Resources.

### **Commercial Markets Update (Agenda Item 5.3)**

Keith Collins presented the Commercial Markets Update. He and Board members discussed the implementation timeline for a new Residential Demand Response program. Discussion included the time needed to evaluate how well Resources offering Firm Fuel Supply Service (FFSS) performed during an event. They also reviewed the variance between Day-Ahead and Real-Time congestion rent by zone for February 19, 2025, when rent was at its highest since April 2023. Mr. Collins and Board members further discussed Reliability Unit Commitment (RUC) activity and Reliability Must-Run Resources that continue to provide capacity for managing elevated congestion.

### **Real-Time Co-optimization Update (Agenda Item 5.3.1)**

Matt Mereness presented the Real-Time Co-optimization (RTC) Update. He and Board members discussed whether RTC plus Batteries (RTC+B) market trials could be completed without the Board approving NPRR1269, RTC+B Three Parameters Policy Issues – URGENT, which was to appear later on the agenda for the Board's consideration and action. Discussion also included ERCOT staff's opinion of NPRR1269 to support reliability.

### **System Operations Update (Agenda Item 14.3)**

Chair Flores took up the System Operations Update, for which Dan Woodfin presented. Board members and Mr. Woodfin discussed tracking and frequency of Inverter-Based Resource (IBR) failures to ride-through voltage trips.

### **System Planning and Weatherization Update (Agenda Item 14.2)**

Kristi Hobbs presented the System Planning and Weatherization Update. She, Woody Rickerson, and Board members discussed categorizing the types of Large Loads approved to energize based upon variable attributes such as duration. Also addressed was the growing difficulty in supporting planned outages on 345-kilovolt (kV) transmission lines, where increased rejection and re-scheduling of planned-outage requests are driving up costs. There was additional discussion regarding the results from power flow analysis for the Permian Basin Reliability Plan, which showed that three (3) 765-kV lines with lower impedance can deliver more power into the region than the 345-kV lines studied.

### **Recess Meeting until 10:00 a.m., Tuesday, April 8, 2025**

Chair Flores recessed the meeting at approximately 4:53 p.m. on April 7, 2025, announced that General Session would reconvene at 10:00 a.m. on Tuesday, April 8. Chairman Gleeson likewise recessed the Open Meeting of the Commission until the same time.

### **Reconvene General Session 10:00 a.m., Tuesday April 8, 2025**

On Tuesday, April 8, 2025, Chair Flores reconvened the Board meeting at approximately 10:00 a.m., and Chairman Gleeson reconvened the Open Meeting of the Commission to consider



matters that had been duly posted with the Texas Secretary of State for April 8, 2025. Chair Flores highlighted the Antitrust Admonition.

Chair Flores asked if any members of the public had expressed interest in commenting in person on any items. Chad Seely confirmed that, to date, no individuals had done so.

**Consent Agenda; Unopposed Revision Requests Recommended by TAC for Approval (Agenda Items 6 – 6.1.12)**

Chair Flores took up the Consent Agenda, including Revision Requests recommended for approval by TAC with no opposing votes recorded. Mr. Seely reviewed the cost impacts of the Revision Requests as follows:

- NPRR1234, Interconnection Requirements for Large Loads and Modeling Standards for Loads 25 MW or Greater;
- NPRR1241, Firm Fuel Supply Service (FFSS) Availability and Hourly Standby Fee;
- NPRR1256, Settlement of MRA of ESRs;
- NPRR1268, RTC – Modification of Ancillary Service Demand Curves – URGENT;
- NPRR1270, Additional Revisions Required for Implementation of RTC – URGENT;
- NPRR1273, Appropriate Accounting for ESRs in PRC Calculation – URGENT;
- NOGRR274, Conform Nodal Operating Guide to Revisions Implemented for NPRR1217, Remove Verbal Dispatch Instruction (VDI) Requirement for Deployment and Recall of Load Resources and Emergency Response Service (ERS) Resources – URGENT;
- PGRR115, Related to NPRR1234, Interconnection Requirements for Large Loads and Modeling Standards for Loads 25 MW or Greater;
- PGRR119, Stability Constraint Modeling Assumptions in the Regional Transmission Plan;
- SCR829, API for the NDCRC Application;
- SMOGRR028, Add Series Reactor Compensation Factors; and
- VCMRR042, SO<sub>2</sub> and NO<sub>x</sub> Emission Index Prices Used in Verifiable Cost Calculations.

Chair Flores entertained a motion to recommend approval of the Consent Agenda as presented.

**Motion by Julie England, seconded by Ms. Heeg, to recommend approval of the Consent Agenda as presented. Motion passed by unanimous voice vote with no abstentions.**

**General Session Meeting Minutes; February 4, 2025, General Session Meeting Minutes; February 25, 2025, General Session Special Meeting Minutes (Agenda Items 7 – 7.2)**

Chair Flores entertained a motion to approve the February 4, 2025, General Session Meeting Minutes and the February 25, 2025, General Session Special Meeting Minutes (collectively, Minutes).

**Motion by Mr. Swainson, seconded by Ms. Heeg, to approve the Minutes as presented. Motion passed by unanimous voice vote with no abstentions.**





### **CEO Update (Agenda Item 8)**

Pablo Vegas presented the CEO Update, covering recent Operations and Planning activities, with a focus on the management of maintenance outages during shoulder months and procedures for market notifications when ERCOT proactively manages particular grid conditions. The update also addressed the status of Braunig Unit 3 RMR. Other Board members, Mr. Vegas, and Mr. Seely discussed the status of modeling studies, contracts, and the projected timeline to install the Life Cycle Power Mobile Generation Solution for use in summer 2025. Mr. Vegas also mentioned the upcoming ERCOT 2<sup>nd</sup> Annual Innovation Summit scheduled for May 6<sup>th</sup> and noted the ERCOT's *Advancing Reliability 2024 State of the Grid Report* had been published.

### **Long-Term Load Forecast Update (2025-2031) and Methodology Changes (Agenda Item 8.1)**

Pablo Vegas, Woody Rickerson, and Richard Scheel presented the Long-Term Load Forecast Update (2025-2031) and Methodology Changes. Board members and Mr. Rickerson discussed total Generation Resource capacity added by year compared to ELCC for use during the winter. They also considered labeling Transmission Service Provider (TSP) data by region in the Adjusted Load Forecast's aggregate percentage reduction, particularly in relation to new Data Center demand and Officer Letter Loads. Discussion included the definition of Large Loads as 75 megawatts (MW) and larger. Additional discussion covered the procedures and timing for updating the TSP-provided forecasted load by type. Mr. Rickerson and Board members, including Mr. Vegas, discussed the rigor of data quality, including legislative requirements for data submissions and the need for standardization processes.

### **Update on Texas Economy (Agenda Item 9)**

Pia Orrenius presented the Update on Texas Economy, *How Resilient is Current Growth?* Board members and Ms. Orrenius discussed net impacts on Texas of headwinds and tailwinds considering lower energy prices. They also explored how reciprocal tariffs might affect Gross Domestic Product (GDP) and manufacturing employment, given the economy's dependence on foreign supply chains.

### **Reliability Monitor Update (Agenda Item 10)**

Brandon Gleason presented the Reliability Monitor Update, covering progress made since the Commission designated ERCOT as Reliability Monitor in November 2022. Board members and Mr. Gleason reviewed reporting figures for matters initiated by the Reliability Monitor, including settlement figures for enforcement matters initiated by the Commission. Mr. Gleason and Board members discussed the universe of regulatory requirements (as potential violations) compared to the number of incident reviews initiated by the Reliability Monitor, highlighting the grid's effective operation.

### **ERCOT Lancium Patent License Agreement Disclosure (Agenda Item 11)**

Chad Seely presented the ERCOT Lancium Patent License Agreement Disclosure, addressing Lancium's proposal to license its patents to ERCOT at no cost. The license aims to remove potential barriers to increased registration and participation of Loads as Controllable Load Resources (CLRs) in the ERCOT Region. Mr. Seely noted that ERCOT typically does not enter into contracts with Market Participants outside the Standard Form Agreement (SFA). Board members and Mr. Seely discussed and confirmed that the proposed license would not provide



Lancium any competitive advantage regarding information about CLRs or their participation in the ERCOT Region.

**TAC Report; Non-Unanimous and Other Selected Revision Requests Recommended by TAC for Approval; NPRR1190, High Dispatch Limit Override Provision for Increased Load Serving Entity Costs (Agenda Items 12 – 12.1.1)**

Caitlin Smith, TAC Chair, presented the TAC Report on recent TAC activities. Ms. Smith presented TAC's recommendation, with opposing votes recorded, for approval of NPRR1190, High Dispatch Limit Override Provision for Increased Load Serving Entity Costs. Chair Flores entertained a motion on NPRR1190.

**Motion by Ms. Heeg, seconded by Ms. England, to recommend approval of NPRR1190 as recommended by TAC. Motion passed by voice vote with one opposed (Ben Barkley) and no abstentions.**

**NPRR1269, RTC+B Three Parameters Policy Issues – URGENT; ERCOT Comments on NPRR1269, if any; Other Comments on NPRR1269, if any (Agenda Items 12.1.2 – 12.1.2.2)**

Ms. Smith presented the TAC recommendation to approve NPRR1269, RTC+B Three Parameters Policy Issues – URGENT, noting recorded opposing votes. She also discussed the \$15/MW Ancillary Service Demand Curve ("ASDC floor") in NPRR1269 for use in RUC studies.

Keith Collins presented the ERCOT Comments on NPRR1269, addressing the curve floor in the Revision Request for proxy offers when no offer is submitted. Board members and Mr. Collins discussed modification of the ASDC in NPRR1268, previously approved on the consent agenda, as well as whether voting positions at TAC changed following adjustments to the proxy offer floor between NPRR1269 as submitted and the version approved by TAC.

Chair Flores reported comments received on NPRR1269 from IMM and from a consumer coalition known as the Joint Consumers, consisting of the Residential Consumer, OPUC, Texas Industrial Energy Consumers (TIEC), the City of Eastland, the City of Dallas, and steel mills in the ERCOT Region. Chair Flores opened the floor for discussion from commenters.

Jeff McDonald addressed the IMM's comments of February 6, 2025. Board members discussed NPRR1269's role as an administrative process offering cost advantages to consumers relative to RUC, pending a long-term solution involving a more probabilistic methodology for Ancillary Services (AS) procurement. Discussion with Mr. McDonald included whether proxy offer submissions should be explicitly required, concluding it was a minor issue given the infrequency of non-submission.

Board members and Mr. Woodfin discussed the projected timeline for staff to present a more probabilistic AS methodology at the September Board meeting. Discussions continued with Mr. McDonald on potential impacts of NPRR1269 on reliability, benefits of reducing reliance on RUC, and transitioning to a reliability-based AS methodology.

Mr. Barkley expressed concerns about prematurely setting the ASDC floor at \$15 ahead of RTC.

Chair Flores entertained a motion regarding NPRR1269.



**Motion by Ms. Heeg, seconded by Ms. England, to recommend approval of NPRR1269 as recommended by TAC. Motion passed by voice vote with one opposed (Ben Barkley) and no abstentions.**

**High Impact Policy Discussions in Stakeholder Process (Agenda Item 13)**

Rebecca Zerwas presented the High-Impact Policy Discussions in the Stakeholder Process. Board members and Ms. Zerwas discussed the timeline for developing proposed Protocol language related to Dispatchable Reliability Reserve Service (DRRS) by year-end.

**System Planning and Operations; Exit Strategy for Reliability Must Run (RMR) of Braunig Unit(s) and/or Life Cycle Power Agreements (Agenda Items 14 and 14.1)**

Kristi Hobbs presented the Exit Strategy for Reliability Must Run (RMR) of Braunig Unit(s) and/or Life Cycle Power Agreements. Board members and Ms. Hobbs discussed cost projections to accelerate the San Antonio South Reliability II Project.

**Update on Segment Definitions in the Bylaws (Agenda Item 15)**

Mr. Seely presented the Update on Segment Definitions in the Bylaws, noting that they had not been revised in approximately 20 years. He highlighted an April 18, 2025, deadline for responses to proposals for Segments. Mr. Seely also noted the revision process used in 2022 could be followed, and official redline changes may be presented at the June meetings of the Human Resources and Governance (HR&G) Committee and the Board.

**Committee Reports; Finance and Audit (F&A) Committee Report; Acceptance of ERCOT Consolidated Financial Statements Audit Report; Acceptance of Texas Electric Market Stabilization Funding M LLC Financial Statements Audit Report; Acceptance of Texas Electric Market Stabilization Funding N LLC Financial Statements Audit Report (Agenda Items 16 – 16.1.3)**

Chair Flores announced that, following Carlos Aguilar's resignation, he presided over yesterday's F&A Committee meeting as Board Chair. He highlighted key discussion items, including the Committee's recommendation for the Board to accept the audited financial statements and audit reports for ERCOT, Inc. (consolidated), Texas Electric Market Stabilization Funding M LLC (TEMSFM), and Texas Electric Market Stabilization Funding N LLC (TEMSFN). Chair Flores noted that the Baker Tilly reports were unmodified.

**Motion by Chair Flores, seconded by Mr. Swainson, to accept the audited financials and Financial Statements Audit Reports for (1) ERCOT, Inc. consolidated; (2) TEMSFM; and (3) TEMSFN, each as recommended by the F&A Committee. Motion passed by unanimous voice vote with no abstentions.**

**Human Resources and Governance (HR&G) Committee Report; Reaffirmation of the Board Policies and Procedures (Agenda Items 16.2 – 16.2.1)**

Vice Chair Heeg, Chair of the HR&G Committee, reported that the Committee met the prior day. She highlighted the Committee's completion of the annual review of the Board Policies and Procedures and its recommendation to re-affirm them without changes.





**Motion by Vice Chair Heeg, seconded by Ms. England, to approve the Reaffirmation of the Board Policies and Procedures as presented. Motion passed by unanimous voice vote with no abstentions.**

**Technology and Security (T&S) Committee Report (Agenda Item 16.3)**

Mr. Swainson, T&S Committee Chair, noted that most Board members attended the previous day's T&S Committee meeting and, therefore, did not revisit those discussion items.

**Other Business (Agenda Item 17)**

There was no Other Business.

**Executive Session**

Chair Flores recessed General Session at approximately 1:00 p.m. and convened Executive Session at approximately 1:03 p.m. He recessed Executive Session at approximately 2:45 p.m. and reconvened General Session at approximately 2:54 p.m. to vote on items discussed in Executive Session.

**Reconvene General Session; Vote on Matters from Executive Session; Selection of Independent Financial Auditor for ERCOT Consolidated Financial Statements; Selection of Independent Financial Auditor for Texas Electric Market Stabilization Funding M LLC (TEMSFM) Financial Statements; Selection of Independent Financial Auditor for Texas Electric Market Stabilization Funding N LLC (TEMSFN) Financial Statements (Agenda Items 18 – 18.3)**

Chair Flores introduced the agenda items for selecting the independent financial auditor for the ERCOT consolidated financial statements, as well as for TEMSFM and TEMSFN.

**Motion by Sig Cornelius, seconded by Mr. Barkley, to select Baker Tilly US, LLP as the qualified public accounting firm to perform the following for the year ending December 31, 2025: (1) the financial statements audit, servicer's certificate report, and Form 990 review for ERCOT, Inc.; (2) the financial statements audit and consolidation procedures for TEMSFM; and (3) the financial statements audit and consolidation procedures for TEMSFN. Motion passed by unanimous voice vote with no abstentions.**

**Adjournment (Agenda Item 19)**

Chair Flores 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>.

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Brandon Gleason  
Assistant Corporate Secretary