



Item 4.1: Review of Requirements for Annual Audit of 401(k) Savings Plan

Dawn Herms
Director HR Operations

Finance and Audit Committee

ERCOT Public
June 23, 2025

Finance and Audit Committee Request

Why this is being presented today:

ERCOT maintains a 401(k) retirement savings plan for its employees, qualified under the Employee Retirement Income Security Act (ERISA). Pursuant to ERISA, plan sponsors must annually file Form 5500 with the U.S. Department of Labor. The required filing must include the Plan's audited financial statements

The Finance and Audit (F&A) Committee Charter requires that, annually, the Committee shall recommend to the Board the acceptance of the ERCOT 401(k) Savings Plan audit report

On August 20, 2024, the Board selected Baker Tilly to provide 401(k) Savings Plan audit services for plan year 2024. Baker Tilly's 2024 audited financial statements reflect no findings indicating material issues with the administration of the ERCOT 401(k) Savings Plan

To request a vote from the F&A Committee:

1. ERCOT staff requests a vote from the F&A Committee to recommend that the Board accept the audited financial statements for the ERCOT 401(k) Savings Plan, as of December 31, 2024, and prepared by Baker Tilly

ERCOT 401(k) Savings Plan Overview for Plan Year 2024

Total Assets of December 31, 2023	Total Assets of December 31, 2024
\$396,223,615	\$464,929,561

Participant Type	Percent Participating as of December 31, 2024	Average Contribution Rate as of December 31, 2024
Non-Highly Compensated	94.15%	8.59%
Highly Compensated	98.42%	8.63%