



**GENERAL SESSION MINUTES OF THE
FINANCE AND AUDIT COMMITTEE MEETING
OF ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.**

8000 Metropolis Drive (Building E), Suite 100, Boardroom B
Austin, Texas 78744
April 20, 2026

Pursuant to notice duly given and after determination that a quorum was present, the meeting of the Finance and Audit (F&A) Committee of the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) convened on the above-referenced date.

Meeting Attendance:

Present: Chris Krummel (Chair), William Flores, John Swainson, Julie England, Peggy Heeg, Linda Capuano, Thomas Gleeson, Pablo Vegas, Kathleen McAllister, Kathleen Jackson, and Benjamin Barkley

Attending: Cynthia Hahne, Torry Kesl, Roti Akanni-Owoo, Leslie Swanson, Richard Scheel, Brandon Gleason, Chad Seely, Jodie Dobson (Baker Tilly), and Sarah Slaughter (Baker Tilly)

Convene General Session

The Finance and Audit (F&A) Committee of the ERCOT Board of Directors convened in General Session at approximately 11:53 a.m.

Call General Session to Order (Agenda Item 1)

Chair Chris Krummel confirmed that a quorum was present. The meeting was publicly noticed and webcast live.

ERCOT Antitrust & Security Admonition

The Antitrust Admonition and security map were included in the meeting materials.

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

The meeting was posted on the ERCOT website on April 13, 2026, providing instructions for public comment in person. Chad Seely confirmed that no requests for public comment were received.

February 9, 2026 General Session Meeting Minutes (Agenda Item 3)

The Committee reviewed the draft minutes of the February 9, 2026 General Session.

Motion: Julie England, seconded by Bill Mohl, moved to approve the February 9, 2026 General Session meeting minutes.

Key Decisions: Approved by unanimous vote with no abstentions.

Periodic Meeting with Independent Financial Auditor (Agenda Item 4)



Review of Requirements for Annual Audit of Financial Statements and Annual Servicer's Certificate (Agenda Item 4.1)

Leslie Swanson presented the Review of Requirements for Annual Audit of Financial Statements and Annual Servicer's Certificate.

Report on December 31, 2025 Financial Audit and Annual Servicer's Certificate (Agenda Item 4.2)

Jodie Dobson and Sarah Slaughter of Baker Tilly presented the Report on December 31, 2025 Financial Audit and Annual Servicer's Certificate. Ms. Dobson and Ms. Slaughter presented a high-level overview of the audit results. No concerns, significant findings, or areas to improve were identified in the audit.

Review of Audited Financial Statements and Annual Servicer's Certificate (Agenda Item 4.3)

Ms. Swanson presented the Review of Audited Financial Statements and Annual Servicer's Certificate. Clean auditor's reports and favorable financial performance were shown for ERCOT, Inc.; Texas Electric Market Stabilization Funding M, LLC (TEMSFM); and Texas Electric Market Stabilization Funding N, LLC (TEMSFN).

All entities are in financial compliance. Ms. Swanson confirmed that both an internal disclosure checklist, along with one developed by Baker Tilly, is used to confirm compliance.

Committee Briefs (Agenda Item 5)

Review 2026 Financial Summary (Agenda Item 5.1)

Richard Scheel presented the Review 2026 Financial Summary.

ERCOT's year-to-date February 2026 actual revenues net of expenditures were \$9.8 million favorable to budget, driven by interest income being favorable by \$3.3 million, project expenditures being favorable by \$2.9 million, and outside services being favorable by \$2.9 million. ERCOT's year-end 2026 forecasted revenues net of expenditures are \$13.7 million favorable to budget, driven by interest income forecasted to be favorable by \$22.4 million, with partial offsets of \$6.8 million for interconnection revenue and \$3.6 million for inspection revenue. ERCOT had \$230.0 million of operating funds as of February 28, 2026, compared to \$158.0 million of operating funds as of February 28, 2025.

Mr. Scheel noted that there is an unfavorable forecast for interconnection revenues, largely due to continued efforts to determine a collection method. The expenditures forecast is also unfavorable by \$2.5 million due to supply chain risk and timeline challenges. Working capital and liquidity are expected to be adequate through the remainder of 2026.

Periodic Report on Investments (Agenda Item 5.2)

The Committee deferred discussion of the Periodic Report on Investments. Materials were provided for Committee review.

Periodic Report on Debt Compliance (Agenda Item 5.3)

The Committee deferred discussion of the Periodic Report on Debt Compliance. Materials were provided for Committee review.



Future Agenda Items (Agenda Item 6)

Mr. Scheel presented the Future Agenda Items.

Other Business (Agenda Item 7)

No other business was raised.

Convene Executive Session

Chair Krummel noted that voting items were anticipated following the Executive Session. The Committee recessed General Session at approximately 12:25 p.m. Executive Session convened at approximately 12:45 p.m.

Reconvene General Session

Executive Session recessed at approximately 2:48 p.m. General Session reconvened at approximately 2:50 p.m.

Vote on Matters from Executive Session (Agenda Item 8)

Motion: Mr. Mohl, seconded by Ms. England, moved to approve risk management matter discussed in Executive Session Agenda Item 2.3.1.

Key Decisions: Approved by unanimous voice vote with no abstentions.

2025 Financial Statements Audit Reports (Agenda Items 8.1.1 - 8.1.3)

Motion: Ms. England, seconded by Mr. Barkley, moved to recommend Board approval of the 2025 audited financials and Financial Statements Audit Reports for (1) ERCOT, Inc.; (2) Texas Electric Market Stabilization Funding M, LLC; and (3) Texas Electric Market Stabilization Funding N, LLC.

Key Decisions: Approved by unanimous voice vote with no abstentions.

Selection of Independent Financial Auditor (Agenda Items 8.2.1- 8.2.3)

Motion: Ms. England, seconded by Mr. Barkley, moved to recommend Board approval of the Independent Financial Auditor to perform the following for the year ending December 31, 2026: (1) the financial statements audit, servicer's certificate, and Form 990 review for ERCOT, Inc.; (2) the financial statements audit, servicer's certificate, and Form 990 review for Texas Electric Market Stabilization Funding M, LLC; and (3) the financial statements audit, servicer's certificate, and Form 990 review for Texas Electric Market Stabilization Funding N, LLC.

Key Decisions: Approved by unanimous voice vote with no abstentions.

Adjournment

The meeting adjourned at approximately 2:52 p.m.



Committee materials and presentations from the meeting are available on ERCOT's website at http://www.ercot.com/committees/board/finance_audit/.

Brandon Gleason
Assistant Corporate Secretary