Request for Proposal for Audit Accounting and Attestation Services_09-26_NK

Date of Release: September 11, 2026

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1. General Information

1.1. Request for Proposal (RFP) Objective

The objective of ERCOT in this procurement is to identify and contract with one or multiple qualified professional accounting firm(s) (Respondents) to provide annual financial statement audit and attestation services for ERCOT and its subsidiary companies to examine ERCOT's compliance as a debt servicer, audit services for ERCOT’s SSAE 18 Engagement, SOC1, Type II Engagement, and audit services for ERCOT’s 401(k) savings plan.

Additionally, ERCOT seeks to identify and contract with one or multiple qualified professional accounting firm(s) to provide accounting, tax compliance, and advisory services including ERCOT’s Form 990 Review and E-Filing, Form 1099s E-Filing, and Tax Consulting and Advisory on an as needed basis.

Electric Reliability Council of Texas (ERCOT) will be using Workday Strategic Sourcing (WSS) to manage the submission process for this RFQ. To participate, each respondent is required to create a free supplier account with Workday Strategic Sourcing by accessing the following link and following the instructions for new account creation:
https://ercot.us.workdayspend.com/rfps/public/1287330

1.2. Strategic Elements

1.2.1. Contract Term

ERCOT intends to award a contract resulting from this solicitation for an initial term of six years from date of award as necessary to fulfill the goals of this Request for Proposal (RFP).

Any contract issued as a result of this solicitation is subject to cancellation, without penalty, either in whole or in part, for breach of contract. Such a contract may also be canceled by ERCOT for convenience upon a thirty- (30) day written notice.

1.3. ERCOT Point of Contact

The sole point of contact for inquiries concerning this RFP is:

Nicholas Kimmel
ERCOT
2705 West Lake Drive
Taylor, Texas 76574
Nicholas.Kimmel@ercot.com

All communications relating to this RFP must be directed to the specified ERCOT Point of Contact. All other communications between a Respondent and ERCOT staff concerning this RFP are prohibited. Failure to comply with this section may result in ERCOT’s disqualification of the proposal.

1.4. Procurement Timeline

Procurement Timeline	
RFP Release Date	September 11, 2026
Optional Notice of Intent to Propose Due	September 18, 2026
Respondent Questions Due	September 23, 2026
Response to Respondent Questions Sent	October 1, 2026
Respondent Proposals Due	**October 12, 2026**
Respondent Presentations (if needed)	October 12-22, 2026
ERCOT Recommendation to Finance & Audit Committee	December 07, 2026
Anticipated Contract Award	December 2026
Anticipated Contract Start Date	January 01, 2027

2. Scope and Requirements

2.1. Project Scope Overview

ERCOT is seeking the services of one or multiple qualified independent accounting firms to provide tax compliance, advisory, audit, accounting and attestation services for financial and protocol required examinations. Contracts for the services contemplated in this RFP may be awarded to one or multiple audit firms. ERCOT encourages qualified respondents to provide a proposal for any or all the following services:

2.1.1. Annual Financial Statements Audit Services

ERCOT Bylaws require that an independent auditor annually perform an audit of, and issue an opinion on, ERCOT's consolidated financial statements comprised of comparative statements of financial position, statements of activities, statements of cash flows and related notes to the financial statements.

ERCOT is also seeking an independent auditor to annually perform audits of, and issue opinions on ERCOT's subsidiary company TEMSFM and TEMSFN financial statements comprised of comparative statements of financial position, statements of activities, statements of cash flows and related notes to the financial statements.

ERCOT is requesting services for a six-year period, beginning with the fiscal year ending December 31, 2027. These services are to be provided in conformity with accounting principles and auditing standards generally accepted in the United States of America.

- All pertinent financial records are maintained at ERCOT's Austin location, but fieldwork may be completed remotely with ERCOT's prior written approval
- Due to ongoing travel restrictions and other factors, ERCOT requests that suppliers outline their methodology for completing field work onsite, remotely and in a combination of onsite and remote

- ERCOT expects that most audit fieldwork will be conducted the February and March following each auditing year with a written audit report available by April 1 of each year
- Preliminary fieldwork can begin in the fall
- A copy of ERCOT's 2024 and 2025 comparative financial statements are available upon request to Respondents with an NDA on file

2.1.2. Debt Servicer Compliance Examination

ERCOT is seeking an independent accounting firm to perform an annual examination of ERCOT's management's assertion of compliance with applicable debt servicing criteria set forth in its debt service agreements with TEMSFM and TEMSFN.

ERCOT is requesting services for a six-year period, beginning with the fiscal year ending December 31, 2027. These services are to be provided in conformity with attestation standards established by the American Institute of Certified Public Accountants (AICPA).

- All pertinent financial records are maintained at ERCOT's Austin location but fieldwork may be completed remotely with ERCOT's prior written approval
- Due to ongoing travel restrictions and other factors, ERCOT requests that suppliers outline their methodology for completing field work onsite, remotely and in a combination of onsite and remote
- ERCOT expects that most fieldwork will be conducted in January and February following each auditing year with a written audit report available by March 31 of each year
- Preliminary fieldwork can begin in the fall
- A copy of audit report on 2025 Debt Servicer Compliance is available upon request to Respondents with an NDA on file

2.1.3. Internal Revenue Service Form 990 Review and E-Filing

ERCOT is required to prepare, and file with the Internal Revenue Service, an annual informational tax return - IRS Form 990. ERCOT accounting staff prepare the Form 990 following completion of the financial statement audit. ERCOT is seeking assistance in performing compliance and completeness review of the Form 990 before it is filed with the Internal Revenue Service. ERCOT is also seeking assistance in requesting extension of filing deadlines, as necessary and allowable, and electronically filing the Form 990 with the Internal Revenue Service.

- Major fieldwork is not anticipated
- ERCOT staff will submit a draft version of the Form as well as supporting schedules for review and comment

2.1.4. Internal Revenue Service Form 1099 E-Filing

ERCOT is required to prepare, and file Form 1099s with the Internal Revenue Service. ERCOT accounting staff prepares the data needed for Form 1099s.

ERCOT is seeking assistance in electronically filing the Form 1099s with the Internal Revenue Service and any applicable state agencies, and mailing Form 1099s Copy B to recipients.

- Fieldwork is not anticipated
- ERCOT staff will prepare all data needed for Form 1099s

2.1.5. Tax Consulting and Advisory Services (As Needed)

ERCOT may periodically require tax consulting and advisory services outside the annual compliance engagements. Respondents should demonstrate their capability to provide these services on an as-requested basis, including but not limited to:

- Federal and state tax compliance guidance
- Interpretation of new or revised tax laws and regulations affecting ERCOT
- Assistance with IRS or state taxing authority correspondence, inquiries, or examinations
- Tax reporting and information return compliance questions
- Review of tax implications for new business activities, transactions, or organizational initiatives
- Consultation regarding nonprofit tax matters and other tax-related accounting issues
- Other tax advisory or consulting services requested by ERCOT during the contract term

Respondents should provide a rate card with standard hourly pricing to be referenced when drafting statements of work and/or include some or all the above as a standard service in their Proposal.

2.1.6. Statement on Standards for Attestation Engagements SOC 1, Type II Services

ERCOT requires an audit of settlement, billing, and relevant business and IT processes—including tests for operational effectiveness—in line with AICPA attestation standards.

ERCOT is requesting services for a six-year term, beginning with an initial period of October 1, 20 through September 30, 20, with a report issued by December 15, 2022. It is expected that the SOC 1, Type II audit will be used by ERCOT, ERCOT's Market Participants, and the auditors of ERCOT's Market Participants. Respondents must identify any limitations on the use of the audit report as part of their RFP response.

- The majority of relevant records are located in Taylor, Texas but fieldwork may be completed remotely with ERCOT's prior written approval.
- Due to ongoing travel restrictions and other factors, ERCOT requests that suppliers outline their methodology for completing field work onsite, remotely and in a combination of onsite and remote.
- Respondent to identify the timeframe for any preliminary and final field work.
- Total of 16 control objectives and approximately 116 control activities available for testing

- Representative control objectives and control activities for the SOC 1, Type II engagement are available upon request.

2.2. General Requirements

- Respondents must provide information regarding their ability and willingness to conduct portions of the audit remotely; including the ability to securely share sensitive information and collaborate between sites.
- Respondents must identify their proposed engagement manager and any staff to be engaged on the project. If specific staff cannot be identified, the respondent must provide an explanation and identify the median years of experience for their audit teams.
- In their Responses to this RFP, Respondents must describe in detail the methodology and approach to meeting the requirements of this RFP.
- Respondents should provide a sample Gantt chart or project schedule for completing each set of deliverables, key milestones, or scope requirements described herein
- In their responses to this RFP, Respondents must provide the following information:
    - Acceptance process and criteria. What defines "success" and "acceptance?" What are the specific time frames on acceptance, and what happens at each stage to officially accept or indicate nonconformance.
    - Remedy for deliverables not accepted/failed deliverables. If the above is not met, what will Respondent do to remedy/fix the issues? What are the Respondent's obligations?
    - Escalation process. What is the process and who are the key contacts (with contact information) for ERCOT to reach out to if there is a project issue?
    - Identify key resources and where they will be located (i.e. onsite and/or remote).
    - Responsibility Assignment Matrix (RACI Matrix). Provide the roles and responsibilities of the Respondent’s team and ERCOT’s team (can be provided as a separate document)
    - Project close-out process. Identify what training, warranty, and hand-off support is provided at the end of the project.
- The awarded supplier must provide a project manager or lead who has decision-making authority and will assume responsibility for coordination, control, and performance of this effort.
- Any changes to key personnel associated with the subsequent contract must be submitted in writing and approved in writing by ERCOT.
- The awarded supplier must provide an organizational chart and list of the supplier’s corporate chain-of-command, as well as any established procedures for contacting individuals within that chain-of-command.
- Respondents may submit proposals for one or multiple of ERCOT's Audit Services and Tax Services solicitations. Selection for one engagement does not guarantee or preclude selection for the other.
    - Respondents are responsible for ensuring compliance with all applicable auditor independence requirements, including the AICPA Code of Professional Conduct and other applicable professional standards. Respondents shall

disclose any actual, potential, or perceived conflicts of interest or independence impairments that may arise from providing both audit and tax services to ERCOT and its subsidiary companies.

- Each Respondent shall describe the policies, procedures, and safeguards it would implement to maintain auditor independence, including the segregation of personnel, engagement quality review procedures, and any limitations on the scope of tax services that would be necessary if the Respondent is also selected as ERCOT's independent auditor.
- ERCOT reserves the right to evaluate independence considerations as part of its proposal evaluation process and may award the Audit Services and Tax Services contracts to different Respondents if ERCOT determines that doing so is in its best interest or is necessary to preserve auditor independence.

2.3. Qualifications

2.3.1. Annual Financial Statements Audit Services

2.3.1.1. Audit Firm Qualifications

Through its RFP response, each respondent must demonstrate to ERCOT the following audit firm qualifications:

- Responding firms must be licensed to perform the audit(s) in the state of Texas and possess at least 10 years of previous experience working with enterprise level clients.
- Respondents are required to provide detailed description of their own ability to deploy appropriate resources to serve the needs of ERCOT as described in the Scope of Work, above
  - Please describe your methodology for conducting this audit onsite, remote or with a combination of onsite and remote fieldwork.
- Past Experience relevant to this potential engagement
- Applicable licenses to operate in the state of Texas
- Recognition by the state of Texas to provide Continuing Professional Education credits.
- Respondents must possess a secure data collection and collaboration tool in order for fieldwork to be completed remotely. Respondents must detail the functionality of this tool in their RFP response.

2.3.1.2. Individual Auditor Qualifications

Median experience for audit teams on each engagement (excluding senior managers) must be at least two years to be considered for this scope of work. Each respondent must provide biographies for staff expected to be deployed on ERCOT engagements, detailing the following:

- Past business experience; with particular emphasis on ERCOT Region utility experience and nonprofit experience.
- Tenure with the company and level of experience (associate, junior partner, etc.)
  - At a minimum, respondents must provide the median tenure of the team of auditors supporting ERCOT, if individual auditors cannot be identified at this time.
- Educational background; including any relevant certifications

- City and state from which staff working on the engagements will be deployed
  - Preference may be given to firms utilizing local resources.
- Any other information respondent deems relevant

2.3.2. Debt Servicer Compliance Examination

Responding firms must be licensed to perform the audit(s) in the state of Texas and possess at least 10 years of previous experience. Median experience for audit teams on each engagement (excluding senior managers) must be at least two years in order to be considered for this scope of work.

Each respondent must demonstrate the following:

- Experience under AICPA Statements on Standards for Attestation Engagements (SSAEs)
- Knowledge of servicing agreements and bond financing structures
- Qualifications of engagement partner and manager

2.3.3. Internal Revenue Service Form 990 and Form 1099s Review and E-Filing

- Respondents must provide a description of their own experience in providing the services requested
- Respondents must be licensed to practice in Texas
- Respondent must have the ability to file the Form 990 and Form 1099s with the IRS on behalf of ERCOT

2.3.4. Tax Consulting Services

- Respondents must provide a description of their own experience in providing federal and state tax consulting services to nonprofit or tax exempt organizations
- Respondents must be licensed to practice in Texas

Respondents must have the ability to provide timely consultation throughout the contract term

2.4. Deliverables

2.4.1. Financial Statements Audit Services

- A final written report, including the audit opinion and results for ERCOT consolidation, TEMSFM and TEMSFN, respectively, must be completed by April 1 following each auditing year
  - Debt covenants require audited financial statements to be provided to the lenders by April 30 each year
- It is expected that there will be a minimum of two (2) presentations -
  - Communicating the audit work plan
  - Delivering the final audit report

2.4.2. Debt Servicer Compliance Examination

- A final written report on ERCOT's assertion of compliance with applicable debt servicing criteria set forth in its debt service agreements with TEMSFM and TEMSFN, respectively, including the accountant opinion and results, must be completed by March 31 following each auditing year
  - Debt service agreements require the exam report be provided to the trustees by March 31 each year

2.4.3. Internal Revenue Service Form 990 Review and E-Filing

- The final Form 990 return must be completed and e-filed by the applicable IRS deadlines
- Provide ERCOT with filing confirmations and copies of all submitted forms

2.4.4. Internal Revenue Service Form 1099s E-Filing

- Complete e-filing of Forms 1099s by applicable IRS deadlines
- Mailing Form 1099s Copy B to recipients
- Provide ERCOT with filing confirmations and copies of all submitted forms

2.4.5. Tax Consulting Services

- Written memoranda, technical guidance, or consultation summaries, as requested by ERCOT
- Timely responses to tax-related inquiries
- Assistance with tax authority correspondence or examinations when requested

2.4.6. SOC1, Type II Services

- A draft version of the written report must be submitted by the end of October for ERCOT review.
- Submit the final written report with findings and opinion by November 15th each contract year.
- Finish the presentation and materials by November 15th each contract year.
- It is expected that there will be one (1) presentation to the Finance & Audit Committee of the ERCOT Board of Directors related to the audit report
- A presentation and the audit report are required for the December Board meeting of each contract year

2.5. Cost Proposal

Respondents will need to submit their pricing both as documents and through the pricing worksheet as laid out in Workday Strategic Sourcing (WSS), collectively referred to as the Cost Proposal. The Cost Proposal must be based on the Scope of Work described in Section 2. This section should include any business, economic, legal, or practical assumptions that underline the Cost Proposal. Respondents may separately identify cost-saving and cost-avoidance methods and measures and the effect of such methods and measures on the Cost Proposal and Scope of Work.

In addition to the pricing in their proposal, Respondents must utilize the Cost Proposal table as built in WSS for submitting a Cost Proposal. As this procurement involves multiple lines of service, please note there are specific instructions on Proposal submission located in WSS. For this engagement, Respondents are encouraged to produce proposals for all or some of the different lines of service. Respondents may propose optional additional cost proposals if such proposals are more cost effective (i.e., time and materials cost structure, etc.) for ERCOT. Additional cost proposals should include all the information as laid out in Exhibit 1 below.

Respondents are encouraged to identify discounts and operational efficiencies for a six-year contract term by providing separate cost tables for each annual service period, as applicable.

Discounts for the award of multiple audit engagements should also be identified by respondents as applicable.

Exhibit 1 – Cost Proposal Table

Cost Proposal - Financial Statements	
Cost not included in Respondent's pricing proposal to ERCOT are the sole responsibility of the Respondent. Project Deliverables and Costs	Total Annual Cost
Financial Statements Audit Services - Year 1 Cost Breakdown by ERCOT Consolidation, TEMSFM, TESMFN	$0.00
Expenses – Year 1 Cost Breakdown by ERCOT Consolidation, TEMSFM, TESMFN	$0.00
Financial Statements Audit Services - Year 2 Cost Breakdown by ERCOT Consolidation, TEMSFM, TESMFN	$0.00
Expenses – Year 2 Cost Breakdown by ERCOT Consolidation, TEMSFM, TESMFN	$0.00
Financial Statements Audit Services - Year 3 Cost Breakdown by ERCOT Consolidation, TEMSFM, TESMFN	$0.00
Expenses – Year 3	$0.00

Cost Breakdown by ERCOT Consolidation, TEMSFM, TESMFN	
Financial Statements Audit Services - Year 4 Cost Breakdown by ERCOT Consolidation, TEMSFM, TESMFN	$0.00
Expenses – Year 4 Cost Breakdown by ERCOT Consolidation, TEMSFM, TESMFN	$0.00
Financial Statements Audit Services - Year 5 Cost Breakdown by ERCOT Consolidation, TEMSFM, TESMFN	$0.00
Expenses – Year 5 Cost Breakdown by ERCOT Consolidation, TEMSFM, TESMFN	$0.00
Financial Statements Audit Services - Year 6 Cost Breakdown by ERCOT Consolidation, TEMSFM, TESMFN	$0.00
Expenses – Year 6 Cost Breakdown by ERCOT Consolidation, TEMSFM, TESMFN	$0.00
TOTAL FIXED COST:	$0.00

Cost Proposal – Debt Servicer Compliance Exam

Cost not included in Respondent's pricing proposal to ERCOT are the sole responsibility of the Respondent. Project Deliverables and Costs	Total Annual Cost
Debt Servicer Compliance Exam - Year 1	$0.00
Expenses – Year 1	$0.00

Debt Servicer Compliance Exam - Year 2	$0.00
Expenses – Year 2	$0.00
Debt Servicer Compliance Exam - Year 3	$0.00
Expenses – Year 3	$0.00
Debt Servicer Compliance Exam - Year 4	$0.00
Expenses – Year 4	$0.00
Debt Servicer Compliance Exam – Year 5	$0.00
Expenses – Year 5	$0.00
Debt Servicer Compliance Exam - Year 6	$0.00
Expenses – Year 6	$0.00
TOTAL FIXED COST:	$0.00

Cost Proposal – Form 990

Cost not included in Respondent’s pricing proposal to ERCOT are the sole responsibility of the Respondent.

Project Deliverables and Costs	Total Annual Cost
Internal Revenue Service Form 990 Review and Filing Services - Year 1	$0.00
Expenses – Year 1	$0.00
Internal Revenue Service Form 990 Review and Filing Services - Year 2	$0.00

Expenses – Year 2	$0.00
Internal Revenue Service Form 990 Review and Filing Services - Year 3	$0.00
Expenses – Year 3	$0.00
Internal Revenue Service Form 990 Review and Filing Services - Year 4	$0.00
Expenses – Year 4	$0.00
Internal Revenue Service Form 990 Review and Filing Services - Year 5	$0.00
Expenses – Year 5	$0.00
Internal Revenue Service Form 990 Review and Filing Services - Year 6	$0.00
Expenses – Year 6	$0.00
TOTAL FIXED COST:	$0.00

Cost Proposal – Form 1099

Cost not included in Respondent's pricing proposal to ERCOT are the sole responsibility of the Respondent. Project Deliverables and Costs	Total Annual Cost
Internal Revenue Service Form 1099 Review and Filing Services - Year 1	$0.00
Expenses – Year 1	$0.00
Internal Revenue Service Form 1099 Review and Filing Services - Year 2	$0.00
Expenses – Year 2	$0.00

Internal Revenue Service Form 1099 Review and Filing Services - Year 3	$0.00
Expenses – Year 3	$0.00
Internal Revenue Service Form 1099 Review and Filing Services - Year 4	$0.00
Expenses – Year 4	$0.00
Internal Revenue Service Form 1099 Review and Filing Services - Year 5	$0.00
Expenses – Year 5	$0.00
Internal Revenue Service Form 1099 Review and Filing Services - Year 6	$0.00
Expenses – Year 6	$0.00
TOTAL FIXED COST:	$0.00

Cost Proposal – As-needed Tax Consulting

Cost not included in Respondent's pricing proposal to ERCOT are the sole responsibility of the Respondent.

Project Deliverables and Costs	Hourly Rate
As needed Tax Consulting Services - Year 1	$0.00
As needed Tax Consulting Services - Year 2	$0.00
As needed Tax Consulting Services - Year 3	$0.00
As needed Tax Consulting Services - Year 4	$0.00
As needed Tax Consulting Services - Year 5	$0.00

As needed Tax Consulting Services - Year 6	$0.00
TOTAL FIXED COST:	$0.00

Cost Proposal – SOC 1 Type II Cost not included in Respondent's pricing proposal to ERCOT are the sole responsibility of the Respondent. Project Deliverables and Costs	Hourly Rate
SOC 1 Type II - Year 1	$0.00
SOC 1 Type II - Year 2	$0.00
SOC 1 Type II - Year 3	$0.00
SOC 1 Type II - Year 4	$0.00
SOC 1 Type II - Year 5	$0.00
SOC 1 Type II - Year 6	$0.00
TOTAL FIXED COST:	$0.00

2.5.1. Multiple Responses

A Respondent may submit more than one Proposal provided that any additional Proposals consist of a materially separate approach to fulfilling the RFP scope and independently contain the totality of necessary Deliverables as defined in the RFP. A joint Proposal with one or more Respondents is acceptable per the guidelines laid out in section 2.6 below.

2.6. Joint Proposals

Two or more Respondents may collectively submit a "Joint Proposal," in response to an RFP. A Joint Proposal is a single Proposal that completely defines the responsibilities of multiple

Respondents to attain the requested scope. Joint Proposals must designate a Primary Respondent who will be responsible for the delivery of all goods, services, and requirements as specified in the RFP, and a single authorized official from the Primary Respondent to serve as the sole point of contact between ERCOT and the cooperating Respondents. Any Contract resulting from a Joint Proposal must be signed by an authorized agent or officer of each Respondent. Each Respondent included in the submission of a Joint Proposal will be both jointly and severally liable during the term of any resulting Contract.