



MEMORANDUM

Date: June 2, 2015
To: Board of Directors (Board)
From: Bill Magness, General Counsel and Senior Vice President – Governance, Risk & Compliance and Corporate Secretary
Subject: Item 11 – Update on Results of Special Meeting of Corporate Members

On February 10, 2015, the Board approved the calling of a Special Meeting of ERCOT Corporate Members (Special Meeting) as soon as practicable for the approval of a Bylaws amendment which would create Segment Alternates for both the Industrial and Large Commercial Consumer Subsegments. Additionally, on April 14, 2015, the Board approved the calling of a Special Meeting as soon as practicable for the election of Unaffiliated Director candidate Peter Cramton to fill the vacancy created by the expiration of Unaffiliated Director Michehl Gent's third and final term in May 2015.

For efficiency, the Board requested one Special Meeting for these two voting items. On April 24, 2015, ERCOT issued notice for the Special Meeting to be held on May 27, 2015. We are pleased to report that the Special Meeting was cancelled since ERCOT timely received sufficient ballots in favor of the approval of the Bylaws amendment and the election of Peter Cramton as an Unaffiliated Director, both subject to Public Utility Commission of Texas (PUCT) approval.

ERCOT has filed separate petitions with the Public Utility Commission of Texas (PUCT) for approval of the Bylaws amendment and the election of Mr. Cramton as an Unaffiliated Director under Docket Nos. 44741 and 44742, respectively. A Bylaws amendment cannot become effective and an Unaffiliated Director cannot be seated without formal PUCT approval. We expect that the PUCT will consider the approval of the Bylaws amendment and the election of Unaffiliated Director in mid-August 2015 at the earliest.

I look forward to answering any questions on these matters at the June 9, 2015 meeting.