



**DRAFT 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 A
Austin, Texas 78744
June 17, 2024

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:

Committee Members:

Director	Affiliation/Role (if any)	Voting Category
Flexon, Bob	N/A	Voting
Flores, Bill (Chair)	N/A	Voting
Heeg, Peggy	N/A	Voting
Hjaltman, Courtney	Office of Public Utility Council (OPUC), Public Counsel	Voting

Other Board Members:

Director	Affiliation/Role (if any)	Voting Category
Foster, Paul	N/A	Voting

Officers and Guests:

Officer/Guest	Role
Duggirala, Ravi	ERCOT Director of Enterprise Risk Management
Martinez, Adam	ERCOT Vice President of Enterprise Risk and Strategy
Rainwater, Kim	ERCOT Corporate Counsel
Seely, Chad V.	ERCOT Senior Vice President, General Counsel and Corporate Secretary
Spak, Mara	ERCOT Vice President of Human Resources
Taylor, Sean	ERCOT Senior Vice President, Chief Financial Officer and Chief Risk Officer

Call General Session to Order (Agenda Item 1)

Bill Flores, F&A Committee Chair, determined that a quorum was present and called the F&A Committee meeting to order at approximately 9:32 a.m. Chair Flores highlighted the Antitrust Admonition and addressed the following Agenda Items in the order below.



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

Chair Flores noted that on the agenda for the meeting, which was posted publicly on June 10, 2024, ERCOT had provided instructions for members of the public who were interested in commenting in person and that to date no individuals had expressed interest in commenting, which Chad Seely confirmed.

April 22, 2024 General Session Meeting Minutes (Agenda Item 3)

Chair Flores entertained a motion to approve the April 22, 2024 General Session Meeting Minutes (Minutes).

Bob Flexon moved to approve the Minutes as presented. Peggy Heeg seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Committee Briefs (Agenda Item 4)

Chair Flores invited Sean Taylor to present the Committee Briefs.

Review 2024 Financial Summary (Agenda Item 4.1)

Mr. Taylor presented the 2024 Financial Summary. Mr. Taylor reported a forecasted year-end 2024 net favorable variance of \$76.8 M versus the budgeted amount, an increase since the April Committee meeting. Committee members and Mr. Taylor discussed staffing management expenditures and impact of variance between the budgeted and forecasted year-end staffing vacancy rate on those expenditures. Committee members and Mr. Taylor discussed drivers influencing Congestion Revenue Rights (CRR) funds such as increased volume of CRR Auctions and expectation of congestion on the electric grid.

Periodic Report on Investments (Agenda Item 4.2)

Mr. Taylor presented the Periodic Report on Investments and reported ERCOT is in compliance with all Money Market Mutual Funds (MMMF) investment requirements. Mr. Taylor reported a day in May 2024 when concentration analysis reviewed by Investment Officers indicated more than 10% of investable funds in a single ERCOT Inc. MMMF, approximately 10.2% that was remedied the following day and to be reflected in the August 2024 report to the Committee.

Periodic Report on Debt Compliance (Agenda Item 4.3)

Mr. Taylor presented the Periodic Report on Debt Compliance and reported ERCOT is in compliance with all debt requirements, including securitization.

Future Agenda Items (Agenda Item 5)

Mr. Taylor presented the Future Agenda Items. Mr. Taylor highlighted a new row on the spreadsheet for additional review of Enterprise Risk Management to regularly review program activity. For August, Mr. Taylor highlighted review of insurance renewals and review of the Commission-Ordered Operating Budget Reconciliation for the 12 months ending June 30th, prior to filing with the Public Utility Commission of Texas by September 1, 2024. Mr. Taylor also highlighted for August Internal Audit plan development; the periodic meeting with Independent Financial Auditor to discuss the 2024 audit plan; as well as the ERCOT 401k Savings Plan audit and auditor.



Other Business (Agenda Item 6)

No other business was discussed at this time.

Vote on Matters from Executive Session; Adjournment (Agenda Items 7 – 8)

Chair Flores reported that no voting items from Executive Session were expected; accordingly, he would adjourn the meeting immediately upon conclusion of Executive Session.

Chair Flores adjourned General Session at approximately 9:51 a.m. and convened Executive Session at approximately 10:15 a.m.

There were no voting items from Executive Session.

Chair Flores adjourned the meeting upon the conclusion of Executive Session at approximately 11:12 a.m.

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

Chad V. Seely
Corporate Secretary