



DRAFT GENERAL SESSION MINUTES OF THE BOARD OF DIRECTORS MEETING OF ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.

8000 Metropolis Drive (Building E), Suite 100, Boardroom B
Austin, Texas 78744
June 18, 2024

Pursuant to notice duly given, the meeting of the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) convened on the above-referenced date.

Meeting Attendance:

Board Members:

Director	Affiliation/Role (if any)	Voting Category
Aguilar, Carlos	N/A	Voting
Capuano, Linda	N/A	Voting
Cobos, Lori	Public Utility Commission of Texas (PUCT, Commission), Commissioner	Non-Voting
England, Julie	N/A	Voting
Flexon, Bob	N/A	Voting
Flores, Bill (Vice Chair)	N/A	Voting
Foster, Paul (Chair)	N/A	Voting
Gleeson, Thomas	PUCT Chair	Non-Voting
Heeg, Peggy	N/A	Voting
Hjaltman, Courtney	Office of Public Utility Counsel (OPUC), Public Counsel	Voting
Swainson, John	N/A	Voting
Vegas, Pablo	ERCOT President and Chief Executive Officer (CEO)	Non-Voting

Officers and Guests:

Officer/Guest	Role
Berlin, Anna	ERCOT Associate Corporate Counsel
Billo, Jeff	ERCOT Director of Operations Planning
Black, Robert	ERCOT Vice President of Public Affairs
Collins, Keith	ERCOT Vice President of Commercial Operations



Day, Betty	ERCOT Vice President of Security and Compliance and Chief Compliance Officer
Hobbs, Kristi	ERCOT Vice President of System Planning and Weatherization
Jackson, Kathleen	PUCT Commissioner
Levine, Jonathan	ERCOT Assistant General Counsel and Assistant Corporate Secretary
Martinez, Adam	ERCOT Vice President of Enterprise Risk and Strategy
McDonald, Jeff	Potomac Economics, ERCOT Independent Market Monitor (IMM) Director
Parakkuth, Jayapal	ERCOT Senior Vice President and Chief Information Officer
Rainwater, Kim	ERCOT Corporate Counsel
Rickerson, Woody	ERCOT Senior Vice President and Chief Operating Officer
Schue, Jamie	ERCOT Senior Corporate Counsel
Seely, Chad V.	ERCOT Senior Vice President, General Counsel and Corporate Secretary
Smith, Caitlin	Jupiter Power LLC, Technical Advisory Committee (TAC) Chair
Spak, Mara	ERCOT Vice President of Human Resources
Taylor, Sean	ERCOT Senior Vice President, Chief Financial Officer and Chief Risk Officer
Woodfin, Dan	ERCOT Vice President of System Operations
Zerwas, Rebecca	ERCOT Director of State Policy and PUC Relations, Board Liaison

Call General Session to Order (Agenda Item 1)

Paul Foster, Board Chair, determined that a quorum was present and called the Board meeting to order at approximately 10:01 a.m.

Chair Foster recognized Thomas Gleeson, Chairman of the PUCT. Chair Gleeson called an Open Meeting of the Commission to order to consider matters that had been duly posted with the Texas Secretary of State for June 18, 2024.

Chair Foster highlighted the Antitrust Admonition and addressed the following Agenda Items in the order below.

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

Chair Foster announced that on the agenda for the meeting, which was posted publicly on June 11, 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, noting commenters were available for Board questions, if any, regarding Agenda Item 9.1.1, NPRR1224, ECRS Manual Deployment Triggers – URGENT.

Consent Agenda; Unopposed Revision Requests Recommended by TAC for Approval (Agenda Items 3 – 3.1.12)

Chair Foster presented the Consent Agenda, including unopposed Revision Requests recommended by TAC for approval. Mr. Seely reviewed the cost impacts of the Revision Requests. Chair Foster entertained a motion to recommend approval of the Consent Agenda as follows:



- NPRR1198, Congestion Mitigation Using Topology Reconfigurations;
- NPRR1212, Clarification of Distribution Service Provider's Obligation to Provide an ESI ID;
- NPRR1218, REC Program Changes Per P.U.C. Subst. R. 25.173, Renewable Energy Credit Program;
- NPRR1220, Market Restart Approval Process Modifications;
- NPRR1222, Public Utility Commission of Texas Approval of the Methodology for Determining Ancillary Service Requirements;
- NPRR1223, Addition of TA Contact Information Into TDSP Application Form;
- NPRR1228, Continued One-Winter Procurements for Firm Fuel Supply Service (FFSS) – URGENT;
- NOGRR255, High Resolution Data Requirements;
- NOGRR258, Related to NPRR1198, Congestion Mitigation Using Topology Reconfigurations;
- PGRR112, Dynamic Data Model and Full Interconnection Study (FIS) Deadline for Quarterly Stability Assessment;
- PGRR113, Related to NPRR1198, Congestion Mitigation Using Topology Reconfigurations; and
- PGRR114, Related to NPRR1212, Clarification of Distribution Service Provider's Obligation to Provide an ESI ID

Bill Flores moved to recommend approval of the Consent Agenda as presented. Julie England seconded the motion. The motion passed by unanimous voice vote with no abstentions.

April 23, 2024 General Session Meeting Minutes (Agenda Item 4)

Chair Foster entertained a motion to approve the April 23, 2024 General Session Meeting Minutes (Minutes).

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

CEO Update (Agenda Item 5)

Pablo Vegas presented the CEO Update. Mr. Vegas highlighted ERCOT's work with Market Participants in advance of summer with hurricane preparedness and summer weatherization inspections and discussed the Reliability Roadmap for the remainder of 2024 and beyond. Board members and Mr. Vegas discussed the impact on ERCOT's dispatchable generation fleet of four rules the Environmental Protection Agency (EPA) finalized in April, raising a reliability risk, and ERCOT's continued support (which includes reliability analysis) of the State of Texas's litigation efforts as requested. Board members and Mr. Vegas discussed ERCOT's 2024 Innovation Summit. Board members and Commissioner Jackson discussed the timeline for the Commission's work on Demand Response following the Texas A&M University study that is nearing completion and a goal for recommendations to the Texas Legislature during the next Legislative session.



2024 Summer Outlook; 2024 Summer Weather and Operations (Agenda Items 6 and 6.1)

Dan Woodfin presented the 2024 Summer Weather and Operations. Board members and Mr. Woodfin discussed ERCOT's role in hurricane preparedness. Board members and Mr. Woodfin also discussed probabilistic assessments for summer 2024 demand and supply, as well as visibility needs into demand response from Large Flexible Loads and cryptominers.

2024 Summer Markets and Credit (Agenda Items 6.2)

Woody Rickerson presented the 2024 Summer Markets and Credit, including potential for impact during summer of 2024 on the relative frequency of self-commitment over Reliability Unit Commitment (RUC) action of November 2023 modifications to the Operating Reserve Demand Curve (ORDC) to include multi-step price floors; comparison of natural gas prices during the first quarter of 2024 to 2022 and 2023; and comparison of forward electricity prices in 2024 to 2022 and 2023.

Board Education – Load Forecasting (Agenda Item 7)

Jeff Billo presented Board Education – Load Forecasting. Board members and Mr. Billo discussed the extent to which Market Participants are compensated for price responsive demand, including economic decisions within the market such as lowering charges via ERCOT's Four Coincident Peak (4CP) Program; when exposed to wholesale market prices; or through thermostat programs offered by Retail Electric Providers. Discussion also included addressing challenges with machine-learning algorithms for behavioral modeling and significant changes to the Long-Term Load Forecast since Mr. Billo most recently presented Load Forecasting education to the Board two years ago, particularly regarding impacts of artificial intelligence and data centers.

Independent Market Monitor (IMM) 2023 State of the Market Report for the ERCOT Electricity Markets (Agenda Item 8)

Jeff McDonald, Director of Potomac Economics, presented the Independent Market Monitor (IMM) 2023 State of the Market Report for the ERCOT Electricity Markets. Board members and Mr. McDonald discussed effects on 2023 combustion turbine net revenues of ERCOT Contingency Reserve Service (ECRS). Discussion also included market incentives compared to Legislative provisions for new thermal dispatchable generation, and impact on investment decisions of fluctuating data for net revenues over the past six years. Mr. Rickerson and Mr. McDonald discussed IMM's work on bidding prices for batteries, and Board members and Mr. McDonald discussed the future role of grid reliability in IMM reporting and product transactions following Commission approval of a Reliability Standard for the ERCOT Region.

TAC Report; Non-Unanimous and Other Selected Revision Requests Recommended by TAC for Approval; NPRR1224, ECRS Manual Deployment Triggers – URGENT; NOGRR245, Inverter-Based Resource (IBR) Ride-Through Requirements – URGENT; Reliability and Markets (R&M) Committee Recommendations on Non-Unanimous and Other Selected Revision Requests (Agenda Items 9 – 9.2)

Caitlin Smith, TAC Chair, presented the TAC Report, which included TAC's non-unanimous recommendation for approval of NPRR1224, as well as TAC's non-unanimous recommendation for approval of NOGRR245 in June, following the Board, at its April 23, 2024 meeting, remanding the NOGRR to TAC to address the key reliability concerns identified by ERCOT.



Reliability and Markets (R&M) Committee Chair Bob Flexon reported the Committee considered NPRR1224 at its meeting the prior day and recommended, with one opposing vote by R&M Committee Member Courtney Hjaltman, approval of NPRR1224 as recommended by TAC, following the TAC Report and in-person comments by ERCOT staff, the IMM, Texas Industrial Energy Consumers, and Vistra. Mr. Flexon reported the Committee encourages stakeholder processing as expeditiously as possible of NPRR1232, Standing Deployment of ECRS in the Operating Hour for a Portion of ECRS that is Provided from SCED-Dispatchable Resources, since it provides for the automated release of ECRS to Security-Constrained Economic Dispatch (SCED) without the need for a manual ERCOT deployment instruction.

Mr. Flexon moved to recommend approval of NPRR1224 as recommended by TAC. Carlos Aguilar seconded the motion. The motion passed my unanimous voice vote with one abstention (Ms. Hjaltman).

Mr. Flexon reported on the R&M Committee's deliberations yesterday on NOGRR245, including TAC's Report and in-person comments by ERCOT staff and NextEra, and the R&M Committee's recommendation to table NOGRR245 to allow ERCOT staff, Joint Commenters, and any other stakeholders to develop language to bifurcate parts of the exemption process framework into a future Board Priority Revision Request. Mr. Flexon reported the Committee recognized possible need for special meetings of the R&M Committee and Board in July to consider NOGRR245.

Mr. Flexon moved to table NOGRR245. Ms. Heeg seconded the motion. The motion passed by voice vote with no abstentions.

Finance and Audit (F&A) Committee Report (Agenda Item 10)

Vice Chair Flores, F&A Committee Chair, reported that the F&A Committee met the prior day and highlighted items discussed at the F&A Committee meeting.

Human Resources and Governance (HR&G) Committee Report; Proposed Amendments to the Board Policies and Procedures; Ratification of Officer (Agenda Items 11 – 11.2)

Ms. Heeg, HR&G Committee Chair, reported the HR&G Committee met the prior day and recommended approval of proposed amendments to the Board Policies and Procedures to make clarifications and, following TAC feedback, regarding the Board process for Revision Requests. Ms. Heeg reported the HR&G Committee also recommended ratification of Keith Collins as ERCOT Vice President of Commercial Operations. Following a vote, Ms. Heeg highlighted other discussions from yesterday's meeting of the HR&G Committee.

Ms. Heeg moved to (1) approve the amendments to the Board Policies and Procedures, and (2) approve the ratification of Keith Collins, ERCOT Vice President of Commercial Operations, as an ERCOT Officer effective June 17, 2024, each as recommended by the HR&G Committee. John Swainson seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Reliability and Markets (R&M) Committee Report; R&M Committee Charter; Oncor West Texas 345-kV Infrastructure Rebuild Regional Planning Group (RPG) Project (Agenda Items 12 – 12.2)



Mr. Flexon highlighted additional items discussed at the R&M Committee meeting yesterday, including the Committee's recommendation to approve revisions to the R&M Committee Charter corresponding to amendments to the Board Policies and Procedures document and clarifying other R&M Committee practices.

Mr. Flexon moved to approve the R&M Committee Charter. Ms. Hjaltman seconded the motion. The motion passed by unanimous voice vote with no abstentions. Mr. Aguilar was not seated for this vote.

Mr. Flexon reported the R&M Committee's recommendation yesterday to endorse the Oncor West Texas 345-kV Infrastructure Rebuild Regional Planning Group (RPG) Project. Following a vote, Mr. Flexon highlighted other topics discussed during yesterday's meeting of the R&M Committee.

Mr. Flexon moved to endorse the need for the Tier 1 Oncor West Texas 345-kV Infrastructure Rebuild RPG Project, which ERCOT staff has independently reviewed and which TAC has voted unanimously to endorse, based on North American Electric Reliability Corporation (NERC) and ERCOT reliability planning criteria. Ms. Heeg seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Technology and Security (T&S) Committee Report (Agenda Item 13)

Mr. Swainson, T&S Committee Chair, reported the T&S Committee met the prior day and highlighted items discussed at the T&S Committee meeting.

Other Business (Agenda Item 14)

Chair Foster announced today would be his last meeting as Chair of the ERCOT Board and as a Board member, following a decision to step down effective the end of the day tomorrow, June 19, 2024. Chair Foster indicated Vice Chair Bill Flores will serve until a new Board Chair is selected by the ERCOT Board Selection Committee. Chair Foster shared what he has come to learn in his tenure as ERCOT Board Chair, complimented staff, and thanked the following for the opportunity to serve: Gov. Greg Abbott and Legislative leadership; PUC Chair Gleeson and the Commission; fellow Board members; Mr. Vegas and staff; and Market Participants.

Executive Session; Vote on Matters from Executive Session; Adjournment (Agenda Items 15 and 16)

Chair Foster reported that no voting items from Executive Session were expected; accordingly, he would adjourn the meeting immediately upon conclusion of Executive Session. Chair Foster recessed General Session at approximately 11:51 a.m. and convened Executive Session at approximately 12:17 p.m.

There were no voting items from Executive Session.

Chair Foster adjourned the meeting upon conclusion of Executive Session at approximately 2:55 p.m.



Board materials and presentations from the meeting are available on ERCOT's website at <https://www.ercot.com/committees/board>.

Chad V. Seely
Corporate Secretary

DRAFT