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PROJECT NO. 27706

REPORTS OF THE ELECTRIC
RELIABILITY COUNCIL OF TEXAS

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PUBLIC UTILITY COMMISSION
OF TEXAS

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**ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.'S
RECOMMENDATIONS FOR PERIODICITY OF
GOVERNING BOARD MEETINGS IN 2015**

COMES NOW, Electric Reliability Council of Texas, Inc. (ERCOT), pursuant to PUC SUBST. R. §25.362(i)(5), and files its *Recommendations for Periodicity of Governing Board Meetings in 2015*.

The Commission's rules regarding ERCOT oversight include the following requirement at PUC SUBST. R. §25.362(i)(5):

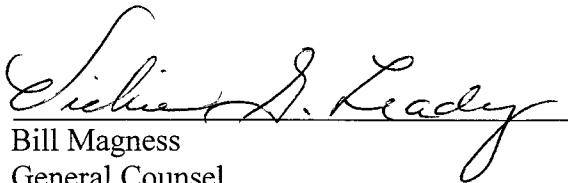
Meeting Periodicity Report. Beginning with the effective date of this section, ERCOT shall recommend annually to the commission the periodicity of governing board meetings. ERCOT's recommendation shall be based on an examination of the frequency of meetings conducted by similar organizations and shall include an estimate of the costs associated with meeting more frequently than once per quarter.

Pursuant to pertinent part of Section 4.6(a) of the ERCOT Amended and Restated Bylaws (Bylaws), the ERCOT "Board shall meet at least quarterly, with at least one meeting occurring in conjunction with the Annual Meeting of the Members." The ERCOT Board must set the time and place of the ERCOT Board meetings.

The ERCOT Board of Directors approved its meeting schedule for 2015, and the approved schedule provides the basis for ERCOT's meeting periodicity recommendation for calendar year 2015. ERCOT's recommendation is attached hereto as Exhibit 1. In summary, ERCOT recommends: (a) that the ERCOT Board and its Finance and Audit (F&A) and Human Resources and Governance (HR&G) Committee each hold six (6) regular meetings in 2015; and (b) that the Board's standing Nominating Committee hold meetings only as needed.

The ERCOT Board also approved the date of the 2015 Annual Meeting of ERCOT Members, to be called on the same date as the December 2015 ERCOT Board meeting as required by Section 4.6(a) of the Bylaws.

Respectfully submitted,

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ERCOT'S RECOMMENDATIONS FOR PERIODICITY
OF GOVERNING BOARD MEETINGS IN 2015

SUMMARY OF RECOMMENDATIONS FOR 2015 ERCOT BOARD AND COMMITTEE MEETINGS

A schedule for a total of six (6) meetings in even-numbered months as follows:

Meeting Month	Proposed 2015 Committee/Board Meeting Schedule	
	Committee Meetings	Board Meetings
February	Mon, February 9	Tues, February 10
April	Mon, April 13	Tues, April 14
June	Mon, June 8	Tues, June 9
August	Mon, August 10	Tues, August 11
October	Mon, October 12	Tues, October 13
December	Mon, December 7	Tues, December 8

INDUSTRY PRACTICES

The frequency of governing body meetings of U.S. Independent System Operators (ISOs) and Regional Transmission Organizations (RTOs) varies widely. Although the governing documents of most require a minimum of quarterly meetings (as is required by the ERCOT Bylaws), only Southwest Power Pool (SPP) maintained such a schedule. For 2014, the ISO/RTOs scheduled regular meetings as follows:

ISO / RTO	2014 Schedule	
	Board of Directors	Board Committees
ERCOT	6 times ¹	<ul style="list-style-type: none"> • Finance and Audit – 6 times • Human Resources and Governance – 6 times • Nominating – As Needed
NYISO	10 times	<ul style="list-style-type: none"> • Audit and Compliance – 7 times • Commerce and Compensation – 8 times • Governance – 6 times • Reliability and Markets – 9 times
ISO-NE	7 times	<ul style="list-style-type: none"> • Audit and Finance – 6 times • Compensation and Human Resources – 6 times • Markets – 13 times • Nominating and Governance² – 7 times • System Planning and Reliability – 6 times
MISO	6 times	<ul style="list-style-type: none"> • Audit and Finance – 5 times • Corporate Governance and Strategic Planning – 6 times • Human Resources – 8 times • Technology – 5 times • Markets – 12 times • System Planning – 7 times • Nominating – As needed
PJM	6 times ³	<ul style="list-style-type: none"> • Audit – 5 times • Reliability – 5 times • Competitive Markets – 5 times • Governance – 4 times • Human Resources – 5 times • Regulatory – 5 times

¹ This does not include the Board's Strategic Planning Event.

² This does not include the nomination process meetings with stakeholders.

³ The board may convene teleconference meetings as needed in addition to its regularly-scheduled meetings.

ISO / RTO	2014 Schedule	
	Board of Directors	Board Committees
CAISO	7 times ⁴	<ul style="list-style-type: none"> • Audit – 10 times⁵
SPP	4 times	<ul style="list-style-type: none"> • Members – 4 times • Markets and Operations Policy – 4 times • Strategic Planning – 3 times • Human Resources – 4 times • Oversight – 4 times • Finance – 5 times • Corporate Governance – 3 times

COST OF MEETINGS

The cost of preparing for and holding ERCOT Board meetings has not changed materially since ERCOT's most recent periodicity filing. ERCOT continues to use a system for providing Board materials electronically to its Board members, which has significantly reduced the cost of delivering the materials. ERCOT believes the electronic system has proved to be efficient.

The Board revisits its meeting schedule annually, and has determined that, for 2015, reducing the number of Board meetings to a quarterly schedule would unnecessarily impair the Board's ability to conduct its business effectively. While reducing the number of meetings could result in additional cost savings, the ERCOT Board has concluded it would not be worth the disruption in ERCOT's governance processes.

⁴ This does not include two board executive session strategic planning sessions and two special board teleconference meetings.

⁵ This includes three routine executive session briefings with external auditors.