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PROJECT NO. 27706

REPORTS OF THE ELECTRIC §
RELIABILITY COUNCIL OF TEXAS §

PUBLIC UTILITY COMMISSION
OF TEXAS

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**ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.'S
RECOMMENDATIONS FOR PERIODICITY
OF GOVERNING BOARD MEETINGS IN 2019**

Electric Reliability Council of Texas, Inc. (ERCOT), pursuant to 16 Tex. Admin. Code § 25.362(i)(5) (TAC), and files its *Recommendations for Periodicity of Governing Board Meetings in 2019*.

The Commission's rules regarding ERCOT oversight include the following requirement at 16 TAC § 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.

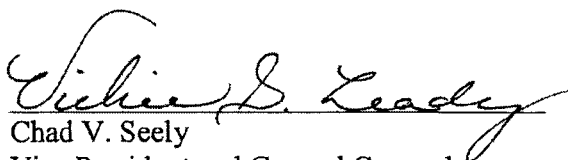
The ERCOT Board of Directors approved its meeting schedule for 2019, and the approved schedule provides the basis for ERCOT's meeting periodicity recommendation for calendar year 2019. ERCOT's recommendation is attached hereto as Exhibit 1. In summary, ERCOT recommends the same general meeting schedule as in 2018¹: (a) that the ERCOT Board and its Finance and Audit (F&A) and Human Resources and Governance (HR&G) Committees each hold six (6) regular meetings in 2019; and (b) that the Board's standing Nominating Committee hold meetings only as needed.

¹ The ERCOT Board approved its 2019 meeting schedule on August 7, 2018, pursuant to which the Board would meet on the second Tuesday of every even-numbered month and the Board's committees would meet on the preceding Monday.

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The ERCOT Board also approved the date of the 2019 Annual Meeting of ERCOT Members, to be called on the same date as the December 2019 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 2019

SUMMARY OF RECOMMENDATIONS FOR 2019 ERCOT BOARD AND COMMITTEE MEETINGS

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

Meeting Month	Proposed 2019 Committee/Board Meeting Schedule	
	Committee Meetings	Board Meetings
February	Mon, February 11	Tues, February 12
April	Mon, April 8	Tues, April 9
June	Mon, June 10	Tues, June 11
August	Mon, August 12	Tues, August 13
October	Mon, October 7	Tues, October 8
December	Mon, December 9	Tues, December 10 (Annual Meeting)

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 MISO maintained such a schedule. For 2018, the ISOs/RTOs scheduled regular meetings as follows:

ISO/RTO	2018 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	9 times	<ul style="list-style-type: none"> • Audit and Compliance – 7 times • Commerce and Compensation – 7 times • Governance – 5 times • Reliability and Markets – 9 times
ISO-NE	7 times	<ul style="list-style-type: none"> • Audit and Finance – 7 times • Compensation and Human Resources – 6 times • Markets – 12 times • Nominating and Governance – 5 times^[2] • System Planning and Reliability – 6 times
MISO	4 times ^[3]	<ul style="list-style-type: none"> • Audit and Finance – 5 times • Corporate Governance and Strategic Planning – 4 times • Human Resources – 6 times • Technology – 5 times • Markets – 6 times • System Planning – 5 times • Nominating – As needed
PJM	6 times	<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 optional Strategic Planning Event.

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

^[3] This does not include two Strategic Planning Retreats.

ISO / RTO	2018 Schedule	
	Board of Directors	Board Committees
		<ul style="list-style-type: none"> • Finance – 4 times^[4] • Nominating – 2-5 times as needed^[5]
CAISO	19 times ^[6]	<ul style="list-style-type: none"> • Audit – 8 times^[7] • Market Surveillance – 8 times^[8] • Energy Imbalance Market Governing Body – 14 times^[9] • Department of Market Monitoring Oversight Committee – 10 times^[10]
SPP	6 times ^[11]	<ul style="list-style-type: none"> • Membership – 1 time^[12] • Markets and Operations Policy – 4 times • Strategic Planning – 4 times • Human Resources – 4 times • Oversight – 6 times • Finance – 6 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 2019, 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] Finance Committee – Comprised of Board and stakeholder representatives.

^[5] Nominating Committee – Comprised of Board and stakeholder representatives.

^[6] This includes eight teleconference meetings. Please note we anticipate our annual Board meetings to remain at 14 meetings on average per year, rather than 19 as reflected for 2018, as this was an unusually frequency high meeting which is not expected to continue.

^[7] This includes three teleconference meetings.

^[8] This includes two teleconference meetings.

^[9] This includes four teleconference meetings.

^[10] This includes one teleconference meeting.

^[11] This includes the Education Session and Organizational Effectiveness meeting.

^[12] Mandatory meeting once a year, but the Membership will meet as needed.