



Control Number: 27706



Item Number: 351

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PROJECT NO. 27706

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2016 NOV 29 PM 12:00

REPORTS OF THE ELECTRIC
RELIABILITY COUNCIL OF TEXAS

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**ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.'S
RECOMMENDATIONS FOR PERIODICITY
OF GOVERNING BOARD MEETINGS IN 2017**

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 2017*.

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.

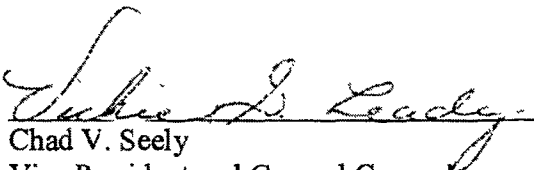
The ERCOT Board of Directors approved its meeting schedule for 2017, and the approved schedule provides the basis for ERCOT's meeting periodicity recommendation for calendar year 2017. ERCOT's recommendation is attached hereto as Exhibit 1. In summary, ERCOT recommends the same general meeting schedule as in 2016¹: (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 2017; and (b) that the Board's standing Nominating Committee hold meetings only as needed.

¹ The ERCOT Board approved its 2017 meeting schedule on August 9, 2016, which followed the same pattern and frequency as 2016, that is, the Board meets on the second Tuesday of every even-numbered month (with the exception of the April and October Board meetings presently scheduled on the first Tuesday and third Tuesday, respectively) and the Board's committees meet on the preceding Monday.

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The ERCOT Board also approved the date of the 2017 Annual Meeting of ERCOT Members, to be called on the same date as the December 2017 ERCOT Board meeting as required by Section 4.6(a) of the Bylaws.

Respectfully submitted,


Chad V. Seely
Vice President and General Counsel
Texas Bar No. 24037466
(512) 225-7035 (Phone)
(512) 225-7079 (Fax)
chad.seely@ercot.com

Vickie G. Leady
Assistant General Counsel
Texas Bar No. 08122090
(512) 275-7436 (Phone)
(512) 225-7079 (Fax)
vickie.lead@ercot.com

ERCOT
7620 Metro Center Drive
Austin, Texas 78744

ATTORNEYS FOR ELECTRIC
RELIABILITY COUNCIL OF TEXAS, INC.

EXHIBIT 1**ERCOT'S RECOMMENDATIONS FOR PERIODICITY
OF GOVERNING BOARD MEETINGS IN 2017****SUMMARY OF RECOMMENDATIONS FOR 2017 ERCOT BOARD AND COMMITTEE MEETINGS**

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

Meeting Month	Proposed 2017 Committee/Board Meeting Schedule	
	Committee Meetings	Board Meetings
February	Mon, February 13	Tues, February 14
April	Mon, April 3	Tues, April 4
June	Mon, June 12	Tues, June 13
August	Mon, August 7	Tues, August 8
October	Mon, October 16	Tues, October 17
December	Mon, December 11	Tues, December 12 (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 2016, the ISOs/RTOs scheduled regular meetings as follows:

ISO / RTO	2016 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	11 times	<ul style="list-style-type: none"> • Audit and Compliance – 7 times • Commerce and Compensation – 9 times • Governance – 7 times • Reliability and Markets – 8 times
ISO-NE	6 times	<ul style="list-style-type: none"> • Audit and Finance – 8 times • Compensation and Human Resources – 6 times • Markets – 11 times • Nominating and Governance^[2] – 5 times • System Planning and Reliability – 5 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 – 7 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 • Finance – 4 times^[4] • Nominating – 2-5 times as needed^[5]

^[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.

^[4] Finance Committee – Comprised of Board and stakeholder representatives.

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

ISO / RTO	2016 Schedule	
	Board of Directors	Board Committees
CAISO	17 times ^[6]	<ul style="list-style-type: none"> • Audit – 10 times^[7] • Market Surveillance – 8 times^[8] • Energy Imbalance Market Governing Body – 5 times^[9]
SPP	6 times ^[10]	<ul style="list-style-type: none"> • Membership – 1 time^[11] • 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 2017, 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.

^[6] This includes six teleconference meetings.

^[7] This includes four teleconference meetings.

^[8] This includes three teleconference meetings.

^[9] This includes one teleconference meeting. Energy Imbalance Market Governing Body was established mid-year with first meeting held in July. Meeting frequency will likely double in 2017.

^[10] This includes the Education Session and Organizational Effectiveness meeting.

^[11] Mandatory meeting once a year, but the Membership will meet as needed.