

DOCKET NO. 51604

PETITION OF ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC., FOR APPROVAL OF UNAFFILIATED DIRECTOR	§ § § §	PUBLIC UTILITY COMMISSION OF TEXAS
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**PETITION OF ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.
FOR APPROVAL OF UNAFFILIATED DIRECTOR CRAIG S. IVEY**

COMES NOW, Electric Reliability Council of Texas, Inc. (ERCOT) and, pursuant to 16 Tex. Admin. Code (TAC) § 25.362(g)(5), respectfully requests approval of Mr. Craig S. Ivey as an Unaffiliated Director of the ERCOT Board of Directors (Board). Mr. Ivey has been elected as an Unaffiliated Director by the Corporate Members of ERCOT, and has met all requisite qualifications for service as an Unaffiliated Director on the ERCOT Board. As discussed herein, ERCOT requests Commission approval of Mr. Ivey’s service as an Unaffiliated Director on the ERCOT Board to commence upon approval by the Commission.

I. BACKGROUND

In order for ERCOT to maintain certification as an independent organization under PURA¹ § 39.151(g), the 16-member ERCOT Board must include “five members unaffiliated with any market segment and selected by the other members of the governing body to serve three-year terms.”² The five “Unaffiliated Directors” are selected through a process that includes the following steps:

- The Nominating Committee of the ERCOT Board nominates Unaffiliated Director candidates. The Nominating Committee consists of all members of the Board other than the ERCOT Chief Executive Officer (CEO) and the Chairman of the Commission.³
- ERCOT provides notice to the Commission of the “candidates who have been identified and their qualifications, any recommendation that will be made to the [ERCOT Board], and any other information requested by a commissioner.”⁴

¹ Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001-66.016 (PURA).

² PURA § 39.151(g)(7).

³ See ERCOT Bylaws § 4.3(b)(1).

⁴ P.U.C. SUBST. R. § 25.362(g)(5).

- After consultation with the Commission and selection by the Nominating Committee, the nominated Unaffiliated Director candidates are submitted to the ERCOT Corporate Members for approval, subject to final approval by the Commission. The ERCOT Corporate Members may vote to elect the nominated candidates at the Annual Membership Meeting (as occurred in this case as described in more detail in Section IV below), which has historically been held in December of each year. If the timing requires election prior to the Annual Membership Meeting, then the ERCOT Board may call a special meeting of the ERCOT Corporate Members. If so, then the ERCOT Corporate Members receive notice of a special meeting of the corporation called for consideration of the election of Unaffiliated Directors. If the requisite number of ballots are received by ERCOT prior to the special meeting, the meeting is cancelled and the results of the election are announced to the membership.⁵
- Unaffiliated Director nominees approved by ERCOT's Corporate Members are then submitted to the Commission for final approval. Unaffiliated Directors may only be seated on the ERCOT Board once elected by the ERCOT Corporate Members and approved by the Commission.

II. STATEMENT OF JURISDICTION AND AUTHORITY

The Commission has jurisdiction over this matter pursuant to PURA § 39.151 and 16 TAC § 25.362.

III. IDENTIFICATION OF APPLICANT

The name and address of the Applicant is Electric Reliability Council of Texas, Inc., 7620 Metro Center Drive, Austin, Texas 78744.

The name, address, telephone, and facsimile numbers of Applicant's authorized representatives are as follows:

Chad V. Seely
Vice President and General Counsel
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(512) 225-7035 (Telephone)
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⁵ ERCOT Bylaws §§ 3.7(g) & 4.3(b)(4).

IV. THE SELECTION PROCESS FOR MR. IVEY COMPLIED WITH COMMISSION AND ERCOT GOVERNING RULES

PURA requires that ERCOT's Bylaws "prescribe professional qualifications for selection" as an Unaffiliated Director, and that "[t]he bylaws must require the use of a professional search firm to identify candidates for membership of unaffiliated members."⁶ In addition, PURA requires that the selection process for Unaffiliated Directors "must allow for commission input in identifying candidates."⁷ The selection process for Unaffiliated Directors is set forth in section 4.3(b) of the ERCOT Bylaws, and includes the requirements mandated by PURA. In addition, 16 TAC § 25.362(g)(5) includes standards that ERCOT must meet to ensure "commission input" in identifying Unaffiliated Director candidates.

The selection of Mr. Ivey complied with the criteria established in PURA, Commission rules, and the ERCOT Bylaws. As noted in Part I above, pursuant to ERCOT's Bylaws, the Nominating Committee of the ERCOT Board consists of all of the voting Directors of the Board other than the ERCOT CEO, and is charged with the selection of Unaffiliated Directors. At the direction of the Nominating Committee, ERCOT engaged an executive search firm and began its search for Unaffiliated Directors in September 2019. After a competitive process, ERCOT retained Lyceum Leadership Consulting (Lyceum), a nationally-recognized, executive search firm to assist in the search for qualified candidates.

Lyceum embarked upon the candidate identification and screening process and reviewed candidates based on direct knowledge and third-party references, evaluating experience and functional expertise. Lyceum's recommendations were prepared and presented to the Nominating Committee. In addition, information prepared by Lyceum regarding potential candidates was shared with the Commission. The Nominating Committee discussed Lyceum's recommendations and agreed to interview several candidates. Following the interviews and discussion among Committee members, a finalist was identified by consensus and scheduled for meetings with the Commissioners serving at the time of the candidate's interview with the Nominating Committee.

The ERCOT Bylaws require that Unaffiliated Directors must have "[e]xperience in one or more of these fields: senior corporate leadership; professional disciplines of finance, accounting, engineering or law; regulation of utilities; risk management; and information

⁶ PURA § 39.151(g).

⁷ *Id.*

technology.”⁸ An Unaffiliated Director candidate must also demonstrate “independence of any Market Participant in the ERCOT Region,” including compliance with specific standards enumerated in the ERCOT Bylaws.⁹ After determining that Mr. Ivey met ERCOT’s qualification and independence requirements, the Nominating Committee unanimously selected Mr. Ivey for presentation to ERCOT’s Corporate Members at the 50th Annual ERCOT Membership Meeting (Meeting) held by teleconference on December 8, 2020, for election as an Unaffiliated Director. A summary of Mr. Ivey’s professional qualifications and credentials is attached hereto as *Attachment A*. On November 10, 2020, ERCOT provided a Member Notice of the Meeting (Member Notice) to ERCOT’s Corporate Membership. A copy of this Member Notice is attached hereto as *Attachment B*.

Corporate Membership voting for the Unaffiliated Director was conducted pursuant to the ERCOT Bylaws procedures requiring approval by a majority of Member Segments (*i.e.*, at least four out of seven Member Segments).¹⁰ Mr. Ivey received the requisite number of Segment votes at the Meeting to be elected as an Unaffiliated Director for a three-year term.

Having completed all other steps in the nomination and election process, ERCOT now requests Commission approval of Mr. Ivey for a three-year term as an Unaffiliated Director to commence upon Commission approval.

If the Commission approved Mr. Ivey for service as an Unaffiliated Director, Mr. Ivey would fill the sole remaining Unaffiliated Director vacancy on the ERCOT Board. On December 31, 2020, the third and final terms of three of the five Unaffiliated Directors on the ERCOT Board (that is, those of Craven Crowell, Karl Pfirrmann and Judy Walsh) expire. On November 5, 2020, the Commission approved the election of Raymond Hepper and Sally Talberg as Unaffiliated Directors to serve on the ERCOT Board for their first three-year terms, beginning on January 1, 2021.¹¹ Also on November 5, 2020, the Commission approved the re-election of Terry Bulger as an Unaffiliated Director to continue to serve uninterrupted on the ERCOT Board for his second three-year term, beginning on March 29, 2021.¹² On March 29, 2018, the

⁸ ERCOT Bylaws § 4.3(b)(2)(i).

⁹ *Id.* § 4.3(b)(2)(ii)(a)-(e).

¹⁰ *See id.* §§ 4.3(b)(2)(ii)(b)(4) & 13.1(d).

¹¹ *See* Docket No. 51062, *Petition of the Electric Reliability Council of Texas, Inc. for Approval of Election of Unaffiliated Director*, Order (Nov. 5, 2020) (Mr. Hepper); Docket No. 51063, *Petition of the Electric Reliability Council of Texas, Inc. for Approval of Election of Unaffiliated Director*, Order (Nov. 5, 2020) (Ms. Talberg).

¹² *See* Docket No. 51060, *Petition of the Electric Reliability Council of Texas, Inc. for Approval of Re-election of Unaffiliated Director*, Order (Nov. 5, 2020).

Commission approved the re-election of Peter Cramton as an Unaffiliated Director to continue to serve on the ERCOT Board for his second three-year term, beginning August 17, 2018.¹³ ERCOT has been monitoring expected Unaffiliated Director vacancies and working to stagger the terms of the Unaffiliated Directors to the extent possible.¹⁴

V. NOTICE PROVIDED BY ERCOT

ERCOT shall post its Petition for Approval of an Unaffiliated Director to its website at http://www.ercot.com/about/governance/legal_notices; provide notice to Market Participants of ERCOT Petition filings with the PUC by issuing a Market Notice to the NOTICE_LEGAL_NOTIFICATIONS Listserv; and provide Notice of its Petition via electronic mail to ERCOT's email exploder lists of committees as follows:

- ERCOT Board of Directors and Others
- Technical Advisory Committee and Others (TAC)
- Retail Market Subcommittee (RMS)
- Wholesale Market Subcommittee (WMS)
- Reliability and Operations Subcommittee (ROS)
- Protocol Revisions Subcommittee (PRS)

ERCOT will file an affidavit attesting to the completion of its proposed notice.

VI. REQUEST FOR PROCEDURAL SCHEDULE

ERCOT seeks to seat Mr. Ivey as an Unaffiliated Director as soon as reasonably possible, but preferably by the ERCOT Board meeting scheduled on April 12, 2021, to fill the Unaffiliated Director vacancy that will exist on the Board beginning on January 1, 2021. In order to facilitate Commission approval of Mr. Ivey, ERCOT proposes the following procedural schedule, which

¹³ See Docket No. 47915, *Petition of the Electric Reliability Council of Texas, Inc. for Approval of Re-election of Unaffiliated Director*, Order (Mar. 29, 2018).

¹⁴ The Human Resources and Governance (HR&G) Committee of the ERCOT Board routinely considers Unaffiliated Director succession planning pursuant to its [Charter](http://www.ercot.com/content/wcm/key_documents_lists/27312/HRG_Committee_Charter_Effective_February_11_2020_.pdf) (which may be found at: http://www.ercot.com/content/wcm/key_documents_lists/27312/HRG_Committee_Charter_Effective_February_11_2020_.pdf). The HR&G Committee most recently considered Unaffiliated Director staggering in light of upcoming vacancies during a discussion of [Agenda Item 8](#) at its October 12, 2020 Urgent HR&G Committee Meeting by teleconference. The related meeting materials reviewing succession planning may be found at: http://www.ercot.com/content/wcm/key_documents_lists/181554/8_Unaffiliated_Director_Succession_Planning.pdf

aims toward approval of the Unaffiliated Director at the Commission's April 9, 2021 Open Meeting:

ERCOT posts Petition to its website and provides notice (as described in Section V herein)	December 9, 2020
Deadline to Intervene (within 45 days from date the Petition is filed with the Commission)	January 25, 2021
Deadline for Intervenor to request a hearing; Deadline for Intervenor comments on the merits if no hearing requested	February 1, 2021
Deadline for Commission Staff to request a hearing; Deadline for Commission Staff's recommendation if no hearing requested	February 8, 2021
Deadline for ERCOT to request a hearing; Deadline for ERCOT's response to Intervenor comments and Commission Staff's recommendation if no hearing requested; Deadline for Parties' proposed order, if no disputed issues	February 15, 2021
Proposed Order filed by Presiding Officer for approval, pursuant to 16 TAC § 22.35(b)(2)	February 22, 2021
Consideration of Proposed Order for Approval of an Unaffiliated Director at Commission Open Meeting	April 9, 2021

VII. CONCLUSION

ERCOT respectfully requests that the Commission approve the election of Mr. Ivey as an Unaffiliated Director for the ERCOT Board for a three-year term to commence upon Commission approval, adopt the procedural schedule requested by ERCOT in this Petition, and grant ERCOT all other relief to which it is entitled.

Respectfully submitted,

/s/ Vickie G. Leady

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ATTORNEYS FOR ELECTRIC RELIABILITY
COUNCIL OF TEXAS, INC.

CERTIFICATE OF SERVICE

I, Vickie G. Leady, attorney for ERCOT, hereby certify that a copy of this document was served on all parties of record in this proceeding on December 9, 2020 by email, in accordance with Second Order Suspending Rules issued on July 16, 2020 in Project No. 50664.

/s/ Vickie G. Leady

Vickie G. Leady



CRAIG S. IVEY

President (Retired)

Craig S. Ivey has over 34 years' experience in the utilities industry leading transformational change, performance management & coaching, enterprise risk management and stakeholder engagement that increased shareholder value. Most recently, Ivey was the President of Consolidated Edison Co. of New York Inc., a \$10 billion in revenue subsidiary of Consolidated Edison Inc. (NYSE: ED), one of the largest investor-owned energy companies in the United States, with \$12 billion (FY 2016) in annual revenues and \$47 billion in assets. He currently serves on the Board of Ameren Corporation, the Hospital for Special Surgery and the Fresh Air Fund and was previously on the Board of the Association for Edison Illuminating Companies (AEIC) and the Electric Power Research Institute. He is considered an expert in risk management, cyber security, executive development and stakeholder safety improvement.

Ivey's tenure as President of Consolidated Edison Co. of New York Inc. from 2009 to 2018, was defined by shareholder returns well above the median of the peers, improvement in risk management processes and outcomes and positioning the organization for industry transformation.

Prior to joining Consolidated Edison, Ivey spent 25 years in roles of increasing responsibility at Dominion Resources (now Dominion Energy, NYSE:D), serving most recently as the Senior Vice President of Transmission and Distribution from 2006 to 2009. In this role, he led the organization thru significant operational challenges while delivering returns well above benchmarks. Prior to serving in this position, he was the Vice President of Electric Operations from 2001 to 2006 and Vice President, Distribution Operations from 2000 to 2001. Ivey began his career at Dominion in 1984 and held roles in engineering, project management, planning, electric operations and customer account management and served as the General Manager Distribution Operations for the Northern Virginia region from 1998 to 2000.

Ivey earned his B.S. in Electrical Engineering from North Carolina State University and has completed executive education programs at the University of Michigan and Harvard University.

He currently resides in Punta Gorda, Florida with his wife Janice, and has three children. He enjoys golfing, walking and travel.

Career Highlights

2009-2018: President, Consolidated Edison, Inc.

2006-2009: SVP, Transmission and Distribution, Dominion Resources (now Dominion Energy)

2001-2006: Vice President, Electric Operations, Dominion Resources (now Dominion Energy)

2000-2001: Vice President, Distribution Operations, Dominion Resources (now Dominion Energy)

1998-2000: General Manager, Distribution Operations, Dominion Virginia Power (now Dominion Energy)

1984-1998: Roles of increasing responsibility across Engineering, Project Management, Planning, Electric Operations and Customer Account Management, Dominion Virginia Power (now Dominion Energy)

Board Experience

Current Board Positions

2018-Present: Director, Audit Committee, Nuclear & Operations Committee; Ameren Corporation, St. Louis

2012-Present: Vice Chair Board of Trustees; Chair, Quality/Better Committee; Chair, Audit Committee, Hospital for Special Surgery, New York City

2011-Present: Board Member, Planning Committee, Executive Committee, Fresh Air Fund, New York City

Former Board Positions

2012-2015: Board Member, Compensation Leadership and Development Committee, Electric Power Research Institute

2009-2017: Board Member, Executive Committee, Association for Edison Illuminating Companies (AEIC)

Awards

2005: Black Engineer of the Year Award - Career Achievement in Industry

2016: N. C. State University Electrical Engineering Hall of Fame

From: [Membership](#)
To: [Membership](#)
Subject: 50th Annual Membership Meeting
Date: Tuesday, November 10, 2020 4:46:38 PM
Attachments: [Invitation and Agenda.pdf](#)
[RSVP, Designation of Alternative Rep or Proxy.docx](#)

MEMBER NOTICE:

The 50th Annual ERCOT Membership Meeting (Meeting) will be conducted by teleconference (Webex) on December 8, 2020, beginning at 2:00 p.m. Due to the change in format, only required corporate organizational business will be considered at the Meeting.

Your Timely Response is Essential and Needed to Conduct Required ERCOT Business

Please complete and return the attached RSVP form to membership@ercot.com no later than December 1, 2020. Please indicate on the RSVP form whether you will attend the Meeting or whether you will designate an alternate representative or proxy to attend the Meeting on your behalf. Should you designate an alternative representative or proxy to attend the Meeting on your behalf, please be sure to include the Form for Designation of an Alternate Representative or Proxy attached to the RSVP.

In order to conduct required organizational corporate business and take action at the Meeting, a quorum of the 2021 Corporate Members must be established. Designation of alternate representatives or proxies is strongly encouraged so that the quorum, which is at least fifty-one percent (51%) of the 2021 Corporate Members, can be achieved.

If Corporate Members are unable to attend the Meeting, it is essential for purposes of establishing a quorum and taking action that Corporate Members complete and return the attached RSVP/ Designation of an Alternate Representative or Proxy form to membership@ercot.com no later than December 1, 2020.

An agenda for the Meeting is attached. If you have any questions, please do not hesitate to contact me.

Sincerely,

Amy L. Loera
Regulatory Specialist
ERCOT Legal Department
7620 Metro Center Drive
Austin, Texas 78744
Office: 512-225-7026
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FIFTIETH ERCOT ANNUAL MEMBERSHIP MEETING BY TELECONFERENCE

To ERCOT Members:

Annual Meeting by Teleconference

ERCOT will be holding its 50th Annual Membership Meeting (Meeting) by teleconference (Webex) on December 8, 2020, beginning at 2:00 p.m. The business conducted at the Meeting will be limited strictly to required organizational matters only as indicated on the attached agenda.

Webex Limited to those with Voting Rights; Meeting Webcast to the Public

Only Designated Representatives of ERCOT Corporate Members or their alternate representatives or proxies will be able to participate in and vote at the Meeting; however, the Meeting will be publicly webcast by Swagit through a link on the ERCOT website.

Your Response is Absolutely Essential to Conducting Membership Business

ERCOT needs your help as noted below to reach a quorum¹ so that Membership required business can be conducted and action can be taken at the Meeting.

ACTION ITEM:

By 11:59 pm (CST), on **Tuesday, December 1, 2020**, Corporate Members must complete and return the attached form to membership@ercot.com to RSVP either:

- You will be attending and voting during the teleconference; or
- You will be designating your voting rights to an alternate representative or proxy.

Webex Information Sent to Those who Timely Returned their RSVP Forms

The Webex teleconference information will be sent no later than Friday, December 4, 2020, to only those that timely returned their completed RSVP forms.

Please contact Lissette Ruiz at (512) 225-7025 or membership@ercot.com if you have any questions or concerns.

Thank you.

¹ According to Section 3.7(e) of the ERCOT Bylaws, in pertinent part, "Representation at any meeting of ERCOT of at least fifty-one percent (51%) of the Corporate Members, in person or by proxy, shall constitute a quorum for the transaction of business at such meeting . . . Except as otherwise provided in these Bylaws, an act of fifty-one percent (51%) of the Corporate Members shall be the act of the Corporate Members."



Agenda

Fiftieth Annual Membership Meeting By Teleconference

December 8, 2020; 2:00 p.m. to 2:30 p.m.

Live Public Webcast Available on ERCOT.com (*details at end of agenda*)

Hosted by Bill Magness, ERCOT President and Chief Executive Officer

Item	Topic	Item Type
1.	Welcome	Discussion
2.	Approval of December 10, 2019 Annual Meeting Minutes*	Vote
3.	Confirmation and Approval of 2021 Board of Directors and Segment Alternates*	Vote
4.	Announcement of 2021 Technical Advisory Committee*	Discussion
5.	Election of Unaffiliated Director Candidate Craig S. Ivey*	Vote
6.	Adjournment	--

The public webcast may be viewed at ERCOT.com.

Additional information may be found at:

<http://www.ercot.com/calendar/2020/12/8/181488>