

Peter M. Lake
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Commissioner

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Commissioner

Kathleen Jackson
Commissioner



Greg Abbott
Governor

Thomas J. Gleeson
Executive Director

Public Utility Commission of Texas

September 15, 2022

ERCOT Board of Directors *by electronic delivery*

Dear Chairman Foster and ERCOT Directors,

Under delegated authority and on behalf of the Public Utility Commission of Texas, I write to address the consensual resolution of the dispute concerning the ERCOT claim in the Brazos Electric Power Cooperative, Inc. bankruptcy case.¹ ERCOT, as the independent organization² directly responsible and accountable to the PUCT, has coordinated and continues to coordinate with the Commission's attorneys through this process. Further, the Commission has monitored the settlement negotiations between Brazos and ERCOT and is aware of the settlement terms, as set forth in Brazos' plan of reorganization on file in the bankruptcy case.

Brazos' plan of reorganization addresses both the economic recovery on ERCOT's bankruptcy claim and material, non-economic concerns important to the Commission and ERCOT, including the terms for the continued existence and management of Brazos. The Commission understands that ERCOT, Brazos, and certain intervenor Market Participants continue to negotiate and document specific details of the settlement contained in the filed plan.

The Commission continues to support ERCOT's trajectory, efforts, and settlement framework to resolve the Brazos bankruptcy. The Commission will continue to monitor this process.

Sincerely,

A handwritten signature in blue ink, appearing to read "Peter Lake".

Peter Lake
Chairman, Public Utility Commission of Texas

cc: Chad Seely *by electronic delivery*
ERCOT General Counsel

¹ *In re Brazos Electric Power Cooperative Inc.*, Case No. 21-30725 (Bankr. S.D. Tex.)

² See Public Utility Regulatory Act (PURA) 39.151.

