

Texas Reliability Entity Member Representatives Committee Procedure

MRC Approved: August 25, 2015

These Member Representatives Committee (MRC) Procedures are based upon the Texas Reliability Entity, Inc. (Texas RE) Bylaws. Upon amendment of the Texas RE Bylaws, these Procedures should be reviewed to ensure consistency with any Bylaws revisions.

I. FUNCTIONS OF MRC

A. Duties

The MRC shall provide advice and make recommendations to the Board as it deems appropriate or as required by the Board and perform any other duties as directed by the Board. MRC shall provide advice and make recommendations to the Board regarding annual budgets, business plans and funding mechanisms of Texas RE; other matters relevant to reliability of the ERCOT Bulk Power System; and other matters pertinent to the purpose and operations of Texas RE.

B. Authorization

The MRC is authorized to provide advice and recommendations directly to the Board through its elected Chair and Vice Chair, who also serve as Affiliated Directors of the Board.

C. Creation of Subcommittees, Task Forces, or Working Groups

The MRC shall have the authority to create subcommittees, task forces and working groups, as it deems necessary and appropriate to conduct the business of MRC. The MRC shall review and coordinate the activities and reports of its subcommittees. The MRC will approve the procedures, including the scope, representation and voting procedures, for any subcommittee of the MRC. The Chair may create a task force or working group but neither task force nor working group will have voting procedures.

D. Studies

The MRC shall itself, through its subcommittees, or through Texas RE staff, make and utilize such studies or plans as it deems appropriate to accomplish the purposes of Texas RE, the duties of its subcommittees and the policies of the Board. Results of such studies and plans shall be reported to the Board as required by the Board.

II. MEMBERSHIP

A. Qualifications and Appointment

MRC representatives shall be elected or appointed according to the provisions of the Texas RE Bylaws and procedures established by the Texas RE Board. The election typically occurs during the fourth quarter of the year, every two years.

B. Term of Representatives

MRC representatives shall serve two-year terms beginning on January 1 of the applicable year. Newly elected MRC representatives are expected to attend the Texas RE Annual Meeting in December to be introduced to the membership.

C. Membership

The MRC shall consist of eleven voting representatives as defined in the Texas RE Bylaws: System Coordination and Planning (1); Transmission and Distribution (2); Cooperative Utility (2); Municipal Utility (2); Generation (2); and Load-Serving and Marketing (2).

D. Vacancies

Vacancies shall be filled in the manner prescribed by the Texas RE Bylaws.

III. CHAIR AND VICE-CHAIR

A. Qualifications and Appointment

As provided in the Texas RE Bylaws, the Chair and Vice Chair shall be elected by MRC. The Board shall be notified of the selection of the Chair and Vice Chair, but the selection will not be subject to approval of the Board. The Chair and Vice Chair may not be representatives from the same Sector and may not concurrently serve on the Board of the ERCOT ISO.

B. Duties

The Chair and Vice Chair shall serve two-year terms and be Affiliated Directors on the Board. The Chair and Vice Chair will continue to serve until the completion of the Election Process described in III.C. The Chair shall be responsible for setting the agenda and presiding over all MRC meetings. The Chair and Vice Chair shall communicate the recommendations and advice of the MRC directly to the Board through their roles as Affiliated Directors. The Vice Chair shall act as Chair at MRC meetings in absence of the Chair.

C. Election Process

On or before January 5 every two years, Texas RE staff will open the floor for nominations for five business days for the Chair and Vice Chair to serve during the upcoming two-year term. Nominations will be submitted using the Chair and Vice Chair nomination forms. Individuals may be nominated for either Chair or Vice Chair, and may self-nominate.

[Chair nomination Form](#)

[Vice chair nomination Form](#)

Once nominations have been closed, MRC representatives will cast votes on the nominations for Chair. The election shall be conducted over a period of five business days using an electronic process approved by the Corporate Secretary. Alternatively, the current Chair may call a meeting to be held no later than January 20 to conduct the election for Chair and Vice Chair. If there is more than one nomination, secret ballots will be used for casting votes. Each MRC representative will be allowed one vote. The candidate receiving a simple majority (51%) of MRC representatives voting will be elected. If no simple majority is reached, Texas RE staff will identify the two candidates receiving the most votes and conduct another vote. Votes will be conducted until either a simple majority of the MRC is reached or there is an acclamation by the MRC. Following election of the Chair, the Chair election process will be utilized for selecting the Vice Chair. Candidates for Chair that were not elected may request submission as a nominee for Vice Chair. Texas RE staff will notify MRC representatives the results of the election for terms beginning on the date the election is concluded.

In the event of a vacancy of the Chair, the Vice Chair ascends to the Chair position for the remainder of the Chair's term. An election following this process (excluding January timing) will be conducted to fill a vacancy of the Vice Chair position for the remainder of the term, for any reason, including when the Vice Chair fills a vacant Chair position.

IV. MEETINGS

A. Quorum

As provided in the Texas RE Bylaws, the quorum necessary for the transaction of business at meetings of the MRC shall be the presence, in person (which may be by in person physical attendance or by means of a communication system by which all persons participating in the meeting may hear each other) or by proxy, of two-thirds of the voting representatives on the MRC entitled to attend.

B. Alternates and Proxies

If a standing representative is unable to attend a meeting of the MRC, then the Sector Alternate will attend in his or her place, if the Sector has selected an Alternate. If neither the standing representative nor the Sector Alternate can attend a meeting of the MRC, then the standing representative may designate another MRC member or an employee of the standing representatives' organization as a proxy. A proxy may only be given to a person who is an officer, employee, or director of a registered Member of the same Sector.

If the standing representative wishes to designate a proxy, a [notification](#) of the designation of such proxy must be sent to information@texasre.org and to the Chair and Vice Chair and shall be valid for the time period designated by the standing representative.

C. Action

As provided in the Texas RE Bylaws, actions by members of the MRC shall be approved upon receipt of the affirmative vote of a majority of the voting members of the MRC who are present (either physically in person or by a communication system) and voting at any meeting at which a quorum is present.

D. Meeting Schedule

The MRC and its subcommittees shall meet as often as necessary to perform their duties and functions. The MRC will, at a minimum, hold regular meetings quarterly. Special meetings will be called as necessary.

Special meetings of the MRC may be called for any purpose or purposes by the Chair of the MRC or by any three Representatives of the MRC, which number shall include representatives from at least three Sectors, and require notice given to all representatives of the MRC not less than seven days prior to the date of the meeting. Such notice shall specify the time, date, place, and purpose or purposes of the meeting and may be given by telephone, facsimile, e-mail, or other electronic media, or by express delivery.

E. Notification

All meetings of the MRC shall be noticed to all members of the MRC by e-mail to each member at least one week prior to the meeting.

All agenda items requiring a vote of MRC must be noticed for a vote with supporting documentation published at least one week prior to the meeting. Material that becomes available less than one week prior to the meeting may be considered if a majority of the MRC agrees to consider the additional material.

F. Conduct of Meetings

The Chair, or the Vice Chair in the Chair's absence, shall preside at all meetings and is responsible for preparation of agendas for such meetings. In the absence of the Chair and the Vice Chair, another MRC Representative shall preside at the meeting. All MRC meetings shall be guided by Robert's Rules of Order. Texas RE staff shall be responsible for recording minutes of MRC meetings and distributing such minutes and other communications to all members of MRC and any other parties who express an interest in receiving such information. MRC meetings and MRC subcommittee meetings may be attended by any interested observers; provided, however, persons may be excluded from portions of MRC meetings and MRC subcommittee meetings where third party confidential information is presented or discussed (e.g., confidential vendor or bid information and generation unit information). Participants shall disclose the Entity or Entities they are representing at each MRC and/or MRC subcommittee meeting.

G. Voting in Regular Meetings

In matters determined by the Chair to require a vote of MRC, or when any MRC Representative requests a vote on an issue, each MRC Representative shall have one vote. As provided in the Texas RE Bylaws, an act of MRC requires affirmative votes of at least 51% of the eligible, seated representatives of MRC. MRC representatives who abstain from voting shall not have their votes included in the total number of votes from which the requisite percentage of affirmative votes is required for action. In the event of such abstentions, however, for a vote to become an act of MRC, there must be an affirmative vote of (i) the requisite percentage of the remaining non-abstaining votes *and* (ii) at least 51% of the total members.

V. AMENDMENT

These Procedures may be amended upon motion by any member of MRC and approval of that motion by vote of MRC, provided such amendment may not be in conflict with the Texas RE Bylaws, Board Procedures, or Board resolutions. The Texas RE Board may, upon its own motion, amend these Procedures upon reasonable notice to the MRC membership.