

Registered Ballot Body Procedure

Effective November 3, 2010

Purpose

This document explains the steps to be followed in establishing the Registered Ballot Body (RBB) and the subsequent Registered Ballot Pool (RBP) for the purpose of Voting by Texas Reliability Entity, Inc. (Texas RE) Sectors on proposed Regional Standards as detailed in Step 5 of the Texas RE Standards Development Process. This document also provides details of the voting process. The Texas RE Sectors are defined in the Texas RE Standards Development Process as the six (6) Texas RE Membership Sectors (listed below). However, neither membership in Texas RE nor NERC registration is required to participate in the standards development process, including voting on standards proposals.

Note: If anything in this procedure is inconsistent with Texas RE governing documents, including the Delegation Agreement and all attachments (such as the Bylaws and the Standards Development Process), the governing documents shall take precedence.

Membership

The RBB will be comprised of representatives from entities registered in all Texas RE Sectors to provide balanced decision-making on Regional Standards and Regional Variances and will vote on all proposed new or revised Regional Standards and Regional Variances.

Entities entitled to vote (Voting Entities) are entities or individuals, regardless of membership in Texas RE, that:

- are ERCOT region Bulk Electric System (BES) owners, operators, and users, and
- qualify for one of the below-listed Texas RE Standards Development Sectors, and
- are registered with the Texas RE as potential ballot participants in the Registered Ballot Body.

Affiliated legal entities may cast independent votes, if each entity qualifies to vote in one of the Sectors and registers separately in the RBB.

The six (6) Texas RE Standards Development Sectors are as follows:

- System Coordination and Planning
- Transmission and Distribution
- Cooperative
- Municipal Utility
- Generation
- Load-Serving and Marketing

Entities and individuals that are members of Texas RE are to register for the RBB in the Standards Development Sector that matches their Texas RE membership. Entities and individuals that are not members of Texas RE should register in the most appropriate Standards Development Sector.

RBB Qualification Guidelines

The RBB qualification guidelines are inclusive; i.e., any entity with a legitimate interest in the reliability of the ERCOT Bulk Power System that can meet any one of the guidelines for a Texas RE Standards Development Sector is entitled to belong to and vote in that Sector.

The general guidelines for RBB activities are:

- RBB membership shall be consistent with the Texas RE Sectors.
- Corporations, organizations, and entities may participate freely in all meetings.
- The qualification guidelines and rules for joining Texas RE Sectors will be reviewed periodically to ensure that the process continues to be fair, open, balanced, and inclusive.

Voting

Only one representative of each Voting Entity may vote, who must be the Representative as indicated on the entity's RBB application form.

The Reliability Standards Manager (RSM) shall send a notice to every entity in the RBB to establish a Registered Ballot Pool (RBP) for a Regional Standard or a Regional Variance to a NERC Reliability Standard at least 30 days prior to the start of a ballot. The purpose of this notice is to establish a ballot pool to participate in the consensus development process and ballot the proposed action. The RBP may be established earlier in the development process to encourage active participation in the development process.

Any member of the RBB may join or leave a ballot pool until the ballot period begins (Step 5 of Texas RE Standards Development Process). No RBB member may join or leave the ballot pool once the first ballot starts, including between the first ballot and a second ballot (Step 6B of Texas RE Standards Development Process). The RSM shall coordinate changes to the membership of the ballot pool and publicly post the ballot pool for each action.

At least one (1) representative from four (4) of the six (6) Texas RE Sectors must vote (including abstention) to constitute a quorum of the ballot pool.

If a quorum of the ballot pool is not established, the Regional Standard or Regional Variance to a NERC Reliability Standard will be balloted a second time, allowing a 15-business day period for the ballot. If a quorum is not established with the second ballot, the RSM shall re-survey the RBB to establish interest in participating in a ballot, and may open the RBP for RBB members to join or leave the RBP in accordance with the procedures for forming a ballot pool. A re-ballot will take place with the revised ballot pool.

Members of the ballot pool should submit any comments on the proposed Regional Standard or Regional Variance to a NERC Reliability Standard during the public comment period. If any comments are received during the ballot period, they shall be addressed in accordance with Step 4 of Texas RE Standards Development Process, and included with any second ballot.

The RSM shall facilitate the Standard Drafting Team (SDT), assisted by the SAR Originator, in preparing a response to all negative votes submitted with comments. A RBP member that submitted a negative vote with comments will inform the RSM whether the response provided satisfies the comment. If the member is not satisfied, the member may object. Each objector shall be informed that an appeals process exists within the Texas RE Standards Development Process (Appendix B, Section VII). A negative vote that does not contain a comment does not require a response.

On all voting items, each Texas RE Sector shall have two (2) Sector Votes. For Texas RE Sectors with more than one Voting Entity participating in the vote, each Voting Entity representative that casts a ballot shall receive an equal fraction of its Sector's Votes.

In the event that a Voting Entity abstains from a vote, the Sector Vote is allocated among the members casting a vote within the Sector. A Voting Entity that casts a ballot indicating abstention counts toward a quorum but does not figure into the calculation of the voting result.

If a draft Standard receives 2/3 or greater affirmative Sector-weighted votes at the end of the 15-day voting period, the RSC will forward the Standard to the Texas RE BOD for action (Step 7 of the Texas RE Standards Development Process).

If a draft Standard does not receive 2/3 or greater affirmative Sector weighted votes at the end of the 15-day voting period, the RSC may take any of several steps at its own discretion as described in Step 6B of the Texas RE Standards Development Process.