

ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.
OFFICER'S CERTIFICATE

In connection with the memorandum of counsel dated March 20, 2013 (the "Memorandum") that was submitted to the Commodity Futures Trading Commission by Cadwalader, Wickersham & Taft, in connection with the Electric Reliability Council of Texas, Inc.'s ("ERCOT") Application for an Exemptive Order Under Section 4(c) of the Commodity Exchange Act, the undersigned hereby certifies that, to the best of his knowledge after due inquiry and review of the Memorandum:

1. The undersigned understands that Cadwalader, Wickersham & Taft is relying on this Certificate in connection with the execution and delivery of the Memorandum.

2. The facts and assumptions contained in the Memorandum, including the section entitled "Transactions Among ERCOT and Market Participants" are true and correct as of the date hereof. Specifically:

- ERCOT is a Public Utility Commission of Texas-certified ISO, charged with providing non-discriminatory, open access electricity and transmission services in the ERCOT region.¹
- The Public Utility Regulatory Act ("PURA") of Texas mandated the establishment of an ISO in the ERCOT region.²
- ERCOT maintains a Real Time Market ("RTM") and a Day Ahead Market ("DAM").
- In addition, ERCOT conducts monthly and annual auctions for the purchase and sale of congestion revenue rights ("CRRs").³
- ERCOT has completed Nodal Protocol Revision Request 458 ("NPRR"), Establishment of ERCOT's Central Counterparty Role, revising the Protocols in order to reflect the new central counterparty status of ERCOT.
- The NPRR was approved by the ERCOT Board of Directors in July, 2012, effective January 1, 2013.
- The revised Protocol provides that ERCOT will engage in transactions with market participants as a principal, and will take title to power delivered by market participants. ERCOT will be a buyer to each market seller, taking title to electricity and other products delivered, and a seller to

¹ See Protocols § 1.2.

² PURA § 39.151.

³ Protocols § 7.5. CRRs are also commonly known as financial transmission rights or FTRs.

each market buyer, assuming liability for payables, in its own name and right.

3. The undersigned has no reason to believe that any statement or fact expressed in the Memorandum, including the section entitled "Transactions Among ERCOT and Market Participants" is untrue, inaccurate or incomplete.

4. The undersigned has been duly authorized to execute this Certificate on behalf of ERCOT.

Dated: March 20, 2013

Electric Reliability Council of Texas, Inc.

By: Bill Magness
Name: Bill Magness
Title: Vice-President, General Counsel &
Corporate Secretary