



MEMO

Date: December 5, 2006
To: ERCOT Board of Directors
From: James Thorne; VP, General Counsel & Corporate Secretary
Subject: Selection of Board Chair and Vice Chair

Issue for the ERCOT Board of Directors

ERCOT Board of Director Meeting Date: December 12, 2006

Agenda Item No.: 2

Issue:

According to ERCOT Bylaws Section 4.4, “Annually, the Board shall elect, from the Board’s membership, by an act of the Board as set forth in Section 4.7, a Chair and a Vice Chair. Beginning no later than September 1, 2006, the Chair shall be one of the Unaffiliated Directors. The CEO shall not be qualified to act as the Vice Chair.”

Conclusion/Recommendation:

Select a Chair, who is also an Unaffiliated Director. Select a Vice Chair, who is not the CEO.