MEMO

Date: January 11, 2005
To: ERCOT Board of Directors
From: Margaret Pemberton
Subject: Ratification of Officers

Issue for the ERCOT Board of Directors

ERCOT Board of Director Meeting Date: January 18, 2005
Agenda Item No.: 3

Issue:
The ERCOT Bylaws require annual appointment or election of ERCOT Officers. (See Section 7.2).

Background/History:
In 2004, the Board hired a new President and CEO of ERCOT, Thomas F. Schrader. The following officers served as ERCOT officers for all of 2004: Sam Jones, Executive Vice President and Chief Operating Officer; Ray Giuliani, Vice President and Chief of Market Operations; and, Margaret Uhlig Pemberton, Vice President, General Counsel and Secretary. Roy Bowman was recently retained by ERCOT to act as the interim Vice President and Chief Financial Officer.

Conclusion/Recommendation:
Pursuant to the ERCOT Bylaws, the Board should ratify the reappointment of the existing ERCOT officers as follows:

WHEREAS, pursuant to the ERCOT Bylaws effective December 16, 2003, the ERCOT Board of Directors shall annually elect or appoint the officers of the corporation;

WHEREAS, the ERCOT Board of Directors recognizes the continued service of Thomas F. Schrader, Sam Jones, Ray Giuliani, and Margaret Uhlig Pemberton;

WHEREAS, the ERCOT Board of Directors acknowledges and approves of ERCOT contracting with Roy Bowman as the interim Vice President and Chief Financial Officer, whose contract may continue until a permanent Vice President and Chief Financial Officer is hired;

THEREFORE, BE IT RESOLVED, that the ERCOT Board of Directors hereby ratifies the appointment of the following officers of ERCOT for the Year 2005:

Thomas F. Schrader	President and Chief Executive Officer
Sam R. Jones	Executive Vice President and Chief Operating Officer
Roy P. Bowman	Vice President and Chief Financial Officer
Ray Giuliani	Vice President and Chief of Market Operations
Margaret Uhlig Pemberton	Vice President, General Counsel and Secretary