

**MINUTES OF THE BOARD OF DIRECTORS OF  
THE TEXAS REGIONAL ENTITY DIVISION OF  
ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.**

7620 Metro Center Drive, Room 206 ,Austin, Texas

December 11, 2007

**Directors:**

Mark Armentrout, Chair	Unaffiliated	
Michehl R. Gent <sup>1</sup> , Vice Chair	Unaffiliated	
Barry Smitherman	Chairman, Public Utility Commission of Texas	
Steve Bartley	CPS Energy	Municipal (Segment Alternate)
Brad Cox	Tenaska Power Services	Independent Power Marketer
Calvin Crowder	American Electric Power Service Corporation	Investor-Owned Utilities (Segment Alternate)
Andrew Dalton	Valero Energy Corp.	Industrial Consumer
Nick Fehrenbach	City of Dallas	Large Commercial Consumer
Bob Helton	International Power America	Independent Generator
Bob Kahn	ERCOT CEO	
Clifton Karnei	Brazos Electric Coop	Cooperatives
Suzi McClellan	Office of Public Utility Counsel	Residential Small Consumer
Jan Newton <sup>2</sup>	Unaffiliated	
Robert Thomas	Green Mountain Energy	Ind. Retail Electric Provider

**Other Attendees:**

Larry Grimm, Texas Regional Entity Chief Compliance Officer  
Susan Vincent, Texas Regional Entity Director, Legal Affairs  
Nancy Capezzuti, ERCOT VP HR & OD  
Jean Ryall, Constellation Energy, Independent Power Marketer Segment Alternate  
Marcie Zlotnik, StarTex Power, Independent Retail Electric Provider Segment Alternate  
Kevin Greshaw, Reliant Energy  
Seth Cochran, Sempra Trading  
Cesar Seymour, Suez  
Joel Firestone, Direct Energy  
Mark Bruce, FPL Energy  
Larry Hendrix, LCRA  
Don Jones, TIEC  
Charles Jenkins  
Tom Patton  
David F. Brown, Hughes & Luce, LLP, Outside Counsel and Assistant Secretary  
Ginny Hayes, Hughes & Luce, LLP, Outside Counsel Assistant

<sup>1</sup> Mr. Miguel Espinosa, Unaffiliated Director, provided a proxy to Mr. Michehl Gent for representation in this meeting.

<sup>2</sup> Ms. Carolyn Gallagher, Unaffiliated Director, provided a proxy to Ms. Jan Newton for representation in this meeting.

***Texas Regional Entity***  
*An Independent Division of ERCOT*

**Call to Order**

Chairman Armentrout called the meeting of the Texas Regional Entity – a division of Electric Reliability Council of Texas, Inc. (Texas RE) Board of Directors at approximately 5:08 p.m. Chairman Armentrout immediately adjourned the meeting into Executive Session to discuss personnel and litigation matters.

At the conclusion of Executive Session, at approximately 5:11 p.m., Chairman Armentrout adjourned to Open Session.

**Minutes**

Ms. Newton moved to approve the minutes of the November 13, 2007 meeting; Mr. Thomas seconded the motion. The motion passed on a unanimous voice vote.

**Compliance Update**

Mr. Grimm gave a presentation on industry reliability performance.

Mr. Armentrout left the meeting at 5:14 p.m., returning at 5:16 p.m.

Ms. Ryall left the meeting at 5:15 p.m.

Commissioner Smitherman joined the meeting at 5:20 p.m.

The Board engaged in a discussion of the propriety of certain metrics, Texas RE's role in monitoring and enforcing NERC standards and violations of Protocols and Operating Guide standards, and the costs and benefits of maintaining extraordinarily high levels of reliability performance. No votes were taken.

**Adjourn**

Chairman Armentrout adjourned the Open Session at 5:31 p.m.



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By: David F. Brown  
Its: Assistant Secretary