

Date: January 8, 2010
To: Texas Reliability Entity, Inc Board of Directors (Board)
From: Larry Grimm, Texas Reliability Entity, Inc., President & CEO
Subject: Election of Board Chair and Vice Chair

Texas Reliability Entity, Inc. Meeting Date: January 18, 2010

Agenda Item No.: 1A

Issue:

Election of Texas Reliability Entity, Inc. (Texas RE) Chair and Vice Chair.

Background/History:

This is the first meeting of the formation Board of Texas Reliability Entity, Inc., which will serve until at least three (3) Independent Directors are selected and approved, in accordance with the Bylaws. Article IV, Section 4 of the Bylaws requires the Board to select a Chair and Vice Chair by resolution.

Key Factors Influencing Issue:

- Need for 2010 Chair and Vice Chair, in accordance with the Bylaws.
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Alternatives:

- Elect a Board Chair and Vice Chair.
 - Wait to make a decision.
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Conclusion/Recommendation:

Texas RE staff respectfully requests that the Board elect a Chair and Vice Chair for 2010.

**RESOLUTION OF THE BOARD OF DIRECTORS
TEXAS RELIABILITY ENTITY, INC.**

, 2010

WHEREAS, the Board of Directors (Board) of Texas Reliability Entity, Inc. deems it desirable and in the best interest of Texas Reliability Entity, Inc. to elect a Chair and Vice Chair of the Committee for the upcoming year;

THEREFORE be it RESOLVED, that the Board hereby elects _____ as Chair and _____ as Vice Chair, to serve until Independent Directors are approved and seated.

CORPORATE SECRETARY'S CERTIFICATE

I, _____, Corporate Secretary of Texas Reliability Entity, Inc., do hereby certify that, at the January 18, 2010 Texas Reliability Entity, Inc. Board of Directors Meeting, the Texas Reliability Entity, Inc. Board of Directors approved the above referenced resolution. The motion passed by _____.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2010.

Corporate Secretary