



Date: April 5, 2010
To: Board of Directors
From: H.B. “Trip” Doggett, Interim President and Chief Executive Officer (CEO)
Subject: Ratification of Assistant Corporate Secretary Positions

Issue for the ERCOT Board of Directors

ERCOT Board of Directors Meeting Date: April 12, 2010

Agenda Item No.: 3

Issue:

Ratification of Assistant Corporate Secretary positions for the Electric Reliability Council of Texas, Inc. (ERCOT).

Background/History:

Bylaws Provisions

Section 8.1 (General) of the ERCOT Bylaws (Bylaws) requires that ERCOT’s officers include a Secretary. Section 8.1 further requires, in part, that any two or more offices may be held by the same person, except the offices of President and Secretary. In addition, Section 8.1 provides that a duly-designated subcommittee may perform the functions of any office and the functions of two or more officers may be performed by a single subcommittee. Subsection (f) of Section 4.6 (Meetings) of the Bylaws requires that the Secretary keep minutes of every Board meeting. Section 8.2 (Tenure) of the Bylaws requires that the Board of Directors (Board) ratify the ERCOT officers (other than the CEO) for terms not to exceed one year. Officers may be re-elected or re-ratified for consecutive terms without limitation.

Assistant Corporate Secretary Officer Position

ERCOT will be performing a search for a Vice President, General Counsel and Corporate Secretary due to the resignation of Michael G. Grable, effective April 12, 2010. At the Board meeting on April 12, 2010, the Board is expected to consider the immediate ratification of an Interim Vice President, General Counsel and Corporate Secretary through an independent contractor engagement.

The Corporate Secretary, Interim or otherwise, may delegate any of his various corporate secretarial functions to an Assistant Corporate Secretary.

Key Factors Influencing Issue:

- The Bylaws specifically contemplate and mandate the ratification of Officers (other than the CEO) at least annually.
- ERCOT must have officers to perform its statutory and other functions.
- The Officer position of Assistant Corporate Secretary would provide ERCOT with flexibility to have another resource for ERCOT’s corporate secretarial functions, particularly while the Interim Vice President, General Counsel and Corporate Secretary is



serving ERCOT and while the search for ERCOT's Vice President, General Counsel and Corporate Secretary is ongoing.

Alternatives:

- Approve the proposed resolution as presented, that is, ratify two Assistant Corporate Secretaries to fulfill any of the corporate secretarial functions as delegated by ERCOT's Corporate Secretary, Interim or otherwise, for a term not to exceed one year;
- Postpone the decision on the ratification;
- Form a subcommittee of the Board to serve as Secretary pursuant to Section 8.1; or
- Take other action with regard to this Officer position as the Board believes to be appropriate and provide instruction to ERCOT's staff as needed.

Conclusion/Recommendation:

Ratification of Estrellita Doolin, ERCOT Assistant General Counsel, and Vickie Leady, ERCOT Corporate Counsel, each as Assistant Corporate Secretary immediately to fulfill any of the corporate secretarial functions as delegated by ERCOT's Corporate Secretary, Interim or otherwise, for a term not to exceed one year.



ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.
BOARD OF DIRECTORS RESOLUTION

WHEREAS, pursuant to Section 8.2 (Tenure) of the Bylaws (Bylaws) of Electric Reliability Council of Texas, Inc. (ERCOT), the ERCOT Board of Directors (Board) shall ratify ERCOT Officers (other than the Chief Executive Officer) for terms not to exceed one year;

WHEREAS, after due consideration of the alternatives, the Board deems it desirable and in the best interest of ERCOT to ratify Estrellita Doolin, ERCOT Assistant General Counsel, and Vickie Leady, ERCOT Corporate Counsel, each as Assistant Corporate Secretary immediately to fulfill any of the corporate secretarial functions as delegated by ERCOT's Corporate Secretary, Interim or otherwise, for a term not to exceed one year;

THEREFORE, BE IT RESOLVED, the Board hereby ratifies Estrellita Doolin, ERCOT Assistant General Counsel, and Vickie Leady, ERCOT Corporate Counsel, each as Assistant Corporate Secretary immediately to fulfill any of the corporate secretarial functions as delegated by ERCOT's Corporate Secretary, Interim or otherwise, for a term not to exceed one year.

CORPORATE SECRETARY'S CERTIFICATE

I, Bill Magness, Interim Corporate Secretary of ERCOT, do hereby certify that, at its April 12, 2010 meeting, the ERCOT Board of Directors passed a motion approving the above Resolution by _____.

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

Bill Magness
Interim Corporate Secretary