



**DRAFT MEETING MINUTES OF THE  
HUMAN RESOURCES & GOVERNANCE COMMITTEE OF  
ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.**

Electric Reliability Council of Texas, Inc.  
7620 Metro Center Drive, Room 206  
Austin, Texas 78744  
December 13, 2010

Pursuant to notice duly given and after determination that a quorum was present, the meeting of the Human Resources and Governance (HR&G) Committee of the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) convened on the above-referenced date.

**Meeting Attendance:**

**Committee Members:**

<b>Director</b>	<b>Affiliation</b>	<b>Segment</b>
Dalton, Andrew (Chairman)	Valero Services, Inc.	Industrial Consumer
Doll, Laura		Unaffiliated (except for Agenda Items 13 and 2)
Gent, Michehl		Unaffiliated
Givens, Sheri	Office of Public Utility Counsel	Residential Consumer
Helton, Bob	International Power America Services	Independent Generator
Patton, A.D. (Vice Chairman)		Unaffiliated
Ryall, Jean	Constellation Energy Commodities Group	Independent Power Marketer (except for Agenda Items 13 and 2)

**Guest Board Members:**

<b>Director</b>	<b>Affiliation</b>	<b>Segment</b>
Bermudez, Jorge		Unaffiliated
Crowder, Calvin	American Electric Power Service Corporation	Investor Owned Utility
Doggett, Trip	ERCOT	President and Chief Executive Officer
Dreyfus, Mark	Austin Energy	Municipal (except for Agenda Items 13 and 2)
Espinosa, Miguel		Unaffiliated
Fehrenbach, Nick	City of Dallas	Consumer/Commercial
Karnei, Clifton	Brazos Electric Power Cooperative, Inc.	Cooperative
Zlotnik, Marcie	StarTex Power	Independent Retail Electric Provider



**Other Guests:**

Day, Betty	ERCOT Director of Commercial Operations
Ierullo, Bruno	ERCOT Director of Human Resources
Leady, Vickie	ERCOT Senior Corporate Counsel and Assistant Corporate Secretary
Magness, Bill	ERCOT Vice President, General Counsel and Corporate Secretary
Manning, Chuck	ERCOT Vice President and Chief Compliance Officer
Morgan, Richard	ERCOT Vice President and Chief Information Officer
Saathoff, Kent	ERCOT Vice President of Grid Operations and System Planning
Walker, Mark	NRG Texas, LLC (Segment Alternate)

**Call Open Session to Order and Announce Proxies (Agenda Item 1)**

Andrew Dalton determined a quorum was present and called the Committee meeting to order at approximately 2:41 p.m. He announced that the Finance and Audit Committee meeting ended earlier than planned, that he would immediately convene the Committee meeting in Executive Session, and that he would reconvene the Open Session portion of the meeting upon conclusion of the Executive Session. Chairman Dalton took the Agenda Items in the following order for scheduling convenience.

**Executive Session (Agenda Items 8 through 12)**

Chairman Dalton adjourned the meeting to Executive Session at approximately 2:43 p.m. and reconvened the Open Session at approximately 4:00 p.m.

**Vote on Matters from Executive Session (Agenda Item 13)**

Chairman Dalton announced that there were no voting matters from Executive Session other than a vote on the Executive Session meeting minutes.

**Approval of November 15, 2010 Meeting Minutes (Agenda Item 2)**

**Bob Helton moved for approval of the minutes of the November 15, 2010 Committee meeting as presented. A. D. Patton seconded the motion. The motion passed by unanimous voice vote with one abstention (Sheri Givens).**

**Discussion regarding 2011 Board Strategic Planning Event (Agenda Item 3)**

Bill Magness briefed the Committee members on preliminary plans and reviewed facilities options for the 2011 Board Strategic Planning Event in February 2011. Committee members debated the benefits of using a facilitator for the event. Trip Doggett proposed that the Board develop the Strategic Plan which was outlined at the 2010 Board Strategic Planning Event to a more tactical level and suggested the following potential agenda items: strategic initiatives for 2011; strategic market design in the future; risk strategy update; initial discussion regarding changes to the fee structure; and measurements and Key Performance Indicators (KPIs) for all employees which would be synchronized with the Strategic Plan and related strategic initiatives. Laura Doll and Chairman Dalton expressed their support for these proposed agenda items. Ms. Doll suggested the addition of a meet-and-greet coffee break with the Board and ERCOT staff at the ERCOT Taylor facility. Chairman Dalton reminded the Committee that the Board would hold at least one Board meeting in Taylor each year and expressed his support for the 2011



Strategic Planning Event to be held at ERCOT's Taylor facilities. Mr. Doggett confirmed that the Committee supported the proposed agenda items for the 2011 Board Strategic Planning Event and that ERCOT host the event at its Taylor facilities on Wednesday, February 16, 2011. In response to the Committee's comments, Mr. Magness requested that the Committee members forward the names of potential facilitators to his attention. Chairman Dalton requested that Mr. Doggett prepare a draft agenda for the 2011 Board Strategic Planning Event and identify a possible facilitator for the Committee's consideration during the January 2011 Committee meeting.

**Distribution of Committee Self-Evaluation Survey (Agenda Item 4)**

Chairman Dalton reminded Committee members that the 2010 Committee Self-Evaluation Survey was the same format as the prior two years and is used to gather input on Committee performance and to benchmark effectiveness. Chairman Dalton asked all Committee members to submit their completed surveys by the end of the year.

**Personnel; Staffing and Turnover; and Nodal Transition Staffing Plan Update (Agenda Item 5, 5a and 5b)**

Bruno Ierullo reviewed the staffing trend analysis for the month ending November 30, 2010, and reported that ERCOT employee headcount was 633 as of that time with two hires and two voluntary terminations during the month of November 2010. Mr. Ierullo highlighted that the trending was flat compared to the October 2010 data and noted minimal activity overall.

In response to Chairman Dalton's inquiry regarding the potential impact of the new health care reform legislation, Mr. Ierullo responded that the ERCOT Benefits Committee and ERCOT's health insurance broker had initiated a review and that ongoing updates to the Committee and Board would be provided prior to any benefit plan decisions, that is, likely prior to July 2011.

**Future Agenda Items (Agenda Item 6)**

No additional items were added to the Committee's Future Agenda Items list.

**Other Business (Agenda Item 7)**

No other business was considered at this time.

**Adjournment (Agenda Item 14)**

Chairman Dalton adjourned the meeting at approximately 4:18 p.m.

Committee materials and presentations from the meeting are available on ERCOT's website at [http://www.ercot.com/committees/board/hr\\_governance/](http://www.ercot.com/committees/board/hr_governance/).

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Vickie G. Leady  
Assistant Corporate Secretary