



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

7620 Metro Center Drive, Room 206  
Austin, Texas 78744  
July 18, 2011 at 2:00 p.m.

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	Unaffiliated Director
Gent, Michehl	Unaffiliated	Unaffiliated Director
Givens, Sheri	Office of Public Utility Counsel	Residential Consumer
Helton, Bob	International Power America Services, Inc.	Independent Generator
Ryall, Jean (Vice-Chairman)	Constellation Energy Commodities Group	Independent Power Marketer

Guest Board Members and Segment Alternates:

<b>Director</b>	<b>Affiliation</b>	<b>Segment</b>
Brown, Jeff	Shell Energy North America (US)	Independent Power Marketer Segment Alternate
Doggett, Trip	ERCOT	President and Chief Executive Officer (CEO)
Dreyfus, Mark	Austin Energy	Municipal
Espinosa, Miguel	Unaffiliated	Unaffiliated Director
Hendrick, Eric	Stream Energy	Independent Retail Electric Provider Segment Alternate
Karnei, Clifton	Brazos Electric Power Cooperative, Inc.	Cooperative

Other Guests:

Cobos, Lori	ERCOT Associate Corporate Counsel
Cleary, Mike	ERCOT Senior Vice President and Chief Operating Officer
Ierullo, Bruno	ERCOT Director of Human Resources
Jones, Liz	Oncor



Leady, Vickie	ERCOT Assistant General Counsel and Assistant Corporate Secretary
Magness, Bill	ERCOT Vice President, General Counsel and Corporate Secretary
Manning, Chuck	ERCOT Vice President of Human Resources and Chief Compliance Officer
Morgan, Richard	ERCOT Vice President and Chief Information Officer
Petterson, Mike	ERCOT Vice President of Finance and Treasury
Ruane, Mark	ERCOT Vice President of Credit and Enterprise Risk Management
Westbrook, Susie	ERCOT Assistant General Counsel

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

Andrew Dalton, HR&G Committee Chairman, determined that a quorum was present and called the HR&G Committee meeting to order at approximately 2:00 p.m. Chairman Dalton announced that there were no proxies and addressed the following Agenda Items in the order below.

**Approval of June 20, 2011 Meeting Minutes (Agenda Item 2)**

Chairman Dalton entertained a motion to approve the June 20, 2011 HR&G Committee Meeting Minutes (Minutes).

**Bob Helton moved to approve the Minutes as presented. Laura Doll seconded the motion. Sheri Givens abstained. The motion passed by voice vote.**

**Personnel Update including Human Resources (HR) Operations Report (Agenda Item 3)**

Chuck Manning provided a Personnel Update and overview of the HR Operations Report to the Committee members. Mr. Manning, Trip Doggett, Richard Morgan, and Bruno Ierullo responded to questions and comments from the Committee members. Liz Jones, Counsel for Oncor, provided commentary regarding the employment of ERCOT employees by Market Participants.

**2011 Board Strategic Planning Event (Agenda Item 4)**

Vickie Leady provided an update on the proposed 2011 Board Strategic Planning Event to the Committee members and responded to comments and questions from the Committee members.

**Recommendation regarding Conflict of Interest Corporate Standard (Agenda Item 5)**

Susan Westbrook provided an overview of proposed changes to the Conflict of Interest Corporate Standard to the Committee members and responded to comments and questions from the Committee members.

**Mr. Helton moved to recommend Board approval of language limiting the scope of affected parties to ERCOT employees, their spouses and domestic partners, and their minor children. Ms. Doll seconded the motion. The motion passed by unanimous voice vote.**

The HR&G Committee deferred a recommendation on language permitting investments in publicly traded Affiliates of Market Participants until the August 2011 HR&G Committee meeting to allow time to consult with the Public Utility Commission of Texas (PUCT).



## **Review Proposed Modifications to ERCOT Bylaws and Board Policies and Procedures (Agenda Item 6)**

Bill Magness and Ms. Leady provided an overview of proposed changes to the ERCOT Bylaws and Board Policies and Procedures made in response to the PUCT ERCOT Oversight Rule to the Committee members and responded to comments and questions from the Committee members.

## **Periodicity of Meetings (Agenda Item 7a)**

Mr. Magness discussed the PUCT ERCOT Oversight Rule requirement that ERCOT make a recommendation to the PUCT on the periodicity of Board meetings on an annual basis and provided a general overview of a proposed 2012 Board Meeting Schedule to the Committee members. Mr. Magness responded to comments and questions from the Committee members.

## **2011 Committee Calendar (Agenda Item 8)**

Chairman Dalton presented the 2011 HR&G Committee Calendar for Committee member input. No comments or questions were voiced by the Committee members.

## **Other Business (Agenda Item 9)**

No other business was discussed at this time.

## **Executive Session (Agenda Items 10 - 14)**

Chairman Dalton adjourned the meeting into Executive Session at approximately 3:34 p.m. and reconvened the Open Session at approximately 4:04 p.m.

## **Vote on Matters from Executive Session (Agenda Item 15)**

**Chairman Dalton moved to recommend Board ratification of Betty Day as Vice President of Business Integration. Miguel Espinosa seconded the motion. The motion passed by unanimous voice vote.**

**Chairman Dalton moved to recommend Board ratification of the Employee Benefit Plan as presented and modification of the HR&G Committee Charter to include language related to the ratification of employee benefit plans. Ms. Doll seconded the motion. The motion passed by unanimous voice vote.**

## **Adjourn (Agenda Item 16)**

Chairman Dalton adjourned the HR&G Committee meeting at approximately 4:05p.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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Lori Cobos  
Committee Secretary