



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

7620 Metro Center Drive, Room 206
Austin, Texas 78744
August 15, 2011 at 12:00 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:

Director	Affiliation	Segment
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-Chair)	Constellation Energy Commodities Group	Independent Power Marketer

Guest Board Members and Segment Alternates:

Director	Affiliation	Segment
Brown, Jeff	Shell Energy North America (US)	Independent Power Marketer Segment Alternate
Bermudez, Jorge	Unaffiliated	Unaffiliated Director
Doggett, Trip	ERCOT	President and Chief Executive Officer (CEO)
Dreyfus, Mark	Austin Energy	Municipal
Espinosa, Miguel	Unaffiliated	Unaffiliated Director
Fehrenbach, Nick	City of Dallas	Commercial Consumer
Gresham, Kevin	E.ON Climate & Renewables NA LLC	Independent Generator Segment Alternate
Hendrick, Eric	Stream Energy	Independent Retail Electric Provider (REP)
Karnei, Clifton	Brazos Electric Power Cooperative, Inc.	Cooperative
Nelson, Donna	Public Utility Commission of Texas (PUCT)	Chairman



Other Guests:

Cobos, Lori	ERCOT Associate Corporate Counsel
Cleary, Mike	ERCOT Senior Vice President and Chief Operating Officer
Day, Betty	ERCOT Vice President of Business Integration
Ierullo, Bruno	ERCOT Director of Human Resources
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

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 12:00 p.m. Chairman Dalton announced that there were no proxies and addressed the following Agenda Items in the order below.

Approval of July 18, 2011 Meeting Minutes (Agenda Item 2)

Chairman Dalton entertained a motion to approve the July 18, 2011 HR&G Committee Meeting Minutes (Minutes).

Bob Helton moved to approve the Minutes as presented. Sheri Givens seconded the motion. The motion passed by unanimous voice vote with no abstentions.

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 and Trip Doggett responded to questions and comments from the Committee members.

2010 401(k) Savings Plan Audit Report (Agenda Item 4)

Bruno Ierullo provided an overview of the 2010 401(k) Savings Plan Audit Report to the Committee members. Mr. Ierullo, Mr. Manning, and Bill Magness responded to comments and questions from the Committee members.

Conflicts of Interest Corporate Standard (Agenda Item 6)

The Committee deferred consideration of this item to the September 2011 HR&G Committee meeting.

Recommendation regarding ERCOT Bylaws and Board Policies and Procedures (Agenda Item 7)

Mr. Magness provided an overview of three options for modifying the ERCOT Bylaws and Board Policies and Procedures to comply with the PUCT's ERCOT Oversight Rule and responded to comments and questions from the Committee members. Laura Doll recommended



that a Board subcommittee be created to streamline and clean up the ERCOT Bylaws and move portions of the ERCOT Bylaws to the Board Policies and Procedures. Ms. Doll, Ms. Givens, Mark Dreyfus, and Jean Ryall volunteered to be part of the Board subcommittee.

Review Q2 2011 Key Performance Indicators (KPIs) (Agenda Item 5)

Trip Doggett provided an overview of the Q2 2011 KPIs and responded to comments and questions from the Committee members.

2011 Committee Calendar (Agenda Item 8)

Chairman Dalton requested that Mr. Magness update the 2011 Committee Calendar to reflect the review of the ERCOT Bylaws. 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 12:49 p.m. and reconvened the Open Session at approximately 1:26 p.m.

Vote on Matters from Executive Session (Agenda Item 15)

There were no voting items from Executive Session.

Adjourn (Agenda Item 16)

Chairman Dalton adjourned the HR&G Committee meeting at approximately 1:27 p.m.

Committee materials and presentations from the meeting are available on ERCOT's website at http://www.ercot.com/committees/board/hr_governance/.

Vickie G. Leady
Assistant Corporate Secretary