



Date: January 10, 2012
To: Board of Directors
From: Andrew Dalton, 2011 Human Resources and Governance (HR&G) Committee Chairman
Subject: Election of Chief Executive Officer (CEO) and Ratification of Other Officers

Issue for the ERCOT Board of Directors

ERCOT Board of Directors Meeting Date: January 17, 2012

Agenda Item No.: 3

Issue:

Election of the CEO and ratification of other Officers of Electric Reliability Council of Texas, Inc. (ERCOT).

Background/History:

Section 8.2 of ERCOT's Amended and Restated Bylaws, as approved on April 16, 2010 (Bylaws), requires that the ERCOT Board of Directors (Board) elect the CEO of ERCOT and ratify the remaining ERCOT Officers for terms not to exceed one year. Section 8.2 further provides that officers may be re-elected or re-ratified for consecutive terms without limitation and that all officers shall hold office until their successors are chosen and qualified or until their earlier resignation or removal. Section 7.1 of the Bylaws provides in part that "[t]he CEO shall serve as President of ERCOT."

At its meeting on December 12, 2011, the HR&G Committee considered and supported the election of CEO and ratification of other Officers as recommended by H.B. "Trip" Doggett, ERCOT President and CEO.

Key Factors Influencing Issue:

- The Bylaws require the election of the ERCOT CEO and ratification of other Officers at least annually.
- ERCOT must have a CEO and other Officers to perform its statutory and corporate functions.

Alternatives:

1. Elect the CEO and ratify the other Officers at the January 17, 2012 Board meeting; or
2. Defer the election of the CEO and ratification of the other Officers to a later ERCOT Board meeting.

Conclusion/Recommendation:

At its January 17, 2012 Board meeting, the ERCOT Board should re-elect H.B. "Trip" Doggett as President and CEO of ERCOT, while employed for a term not to exceed one year, and should ratify the following ERCOT Officers for the 2012 year, while employed for a term not to exceed one year:



Betty Day – Vice President of Business Integration;
Jerry Dreyer – Vice President and Chief Information Officer;
Bill Magness – Vice President, General Counsel and Corporate Secretary;
Charles B. Manning, Jr. – Vice President of Human Resources and Chief Compliance Officer;
Michael Petterson – Vice President of Finance and Treasury;
Mark Ruane – Vice President of Credit and Enterprise Risk Management;
Kent Saathoff – Vice President of Grid Operations and System Planning; and
Vickie Leaday – Assistant Corporate Secretary.



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

WHEREAS, pursuant to Section 8.2 of the Amended and Restated Bylaws of Electric Reliability Council of Texas, Inc. (ERCOT), the ERCOT Board of Directors (Board) shall elect the ERCOT Chief Executive Officer (CEO) and ratify other ERCOT Officers for a term while employed not to exceed one year;

WHEREAS, Section 7.1 of the Bylaws provides in part that the ERCOT CEO shall serve as President of ERCOT;

WHEREAS, the ERCOT Board deems it desirable and in the best interest of ERCOT to elect a President and CEO and ratify other ERCOT Officers for the 2012 year for a term while employed not to exceed one year;

THEREFORE, BE IT RESOLVED, the ERCOT Board hereby elects H.B. "Trip" Doggett to serve as ERCOT President and CEO for a term while employed not to exceed one year;

RESOLVED FURTHER, the ERCOT Board hereby ratifies the following other ERCOT Officers for the 2012 year for a term while employed not to exceed one year:

Betty Day – Vice President of Business Integration;
Jerry Dreyer – Vice President and Chief Information Officer;
Bill Magness – Vice President, General Counsel and Corporate Secretary;
Charles B. Manning, Jr. – Vice President of Human Resources and Chief Compliance Officer;
Michael Petterson – Vice President of Finance and Treasury;
Mark Ruane – Vice President of Credit and Enterprise Risk Management;
Kent Saathoff – Vice President of Grid Operations and System Planning; and
Vickie Leady – Assistant Corporate Secretary.

CORPORATE SECRETARY'S CERTIFICATE

I, Vickie G. Leady, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its January 17, 2012 meeting, the ERCOT Board passed a motion approving the above Resolution by _____.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of January, 2012.

Vickie G. Leady
Assistant Corporate Secretary