



Date: April 9, 2012
To: Board of Directors
From: Andrew Dalton, H.R. and Governance (HR&G) Committee Chair
Subject: Approval of HR&G Committee Charter

Issue for the ERCOT Board of Directors

ERCOT Board of Directors Meeting Date: April 16-17, 2012

Agenda Item No.: 15a

Issue:

Whether to recommend and approve any changes to the HR&G Committee Charter.

Background/History:

The HR&G Committee Charter requires that the HR&G Committee review and assess the adequacy of the HR&G Committee Charter annually and recommend any proposed changes to the Board. Proposed revisions to the HR&G Committee Charter which are intended to better track the current practices of the HR&G Committee are identified in red-lined and clean versions in *Attachments A* and *B*, respectively.

The HR&G Committee is expected to recommend that the Board of Directors (Board) adopt, reject, or amend the revisions to the HR&G Committee Charter at the April 16-17, 2012 Board meeting.

Key Factors Influencing Issue:

The HR&G Committee Charter identifies the functions that the HR&G Committee is to perform and is reviewed annually to ensure that the HR&G Committee continues to address relevant issues and to assist the Board in providing necessary oversight consistent with fiduciary duties.

Conclusion/Recommendation:

The HR&G Committee is expected to review these proposed changes to the HR&G Committee Charter at its meeting on April 16, 2012, and is expected to recommend to the Board of Directors whether any HR&G Committee Charter revisions should be made. If the HR&G Committee recommends revisions to the HR&G Committee Charter, then it is expected that the HR&G Committee will recommend that the revisions become effective upon approval by the Board.



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

WHEREAS, after its meeting on April 16, 2012, the Human Resources and Governance (HR&G) Committee of the Board of Directors of Electric Reliability Council of Texas, Inc. (ERCOT) has recommended revisions to the HR&G Committee Charter consistent with the document appended to this resolution and incorporated as *Attachment A* hereto;

WHEREAS, after due consideration of the alternatives, the Board deems it desirable and in the best interest of ERCOT to revise the HR&G Committee Charter as recommended by the HR&G Committee; and

THEREFORE, BE IT RESOLVED, that the HR&G Committee Charter is revised consistent with *Attachment A*, to be effective immediately.

CORPORATE SECRETARY'S CERTIFICATE

I, Vickie G. Ledy, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its April 16-17, 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 April, 2012.

Vickie G. Ledy
Assistant Corporate Secretary