



MEMORANDUM

To: Human Resources and Governance (HR&G) Committee
From: Bill Magness, ERCOT Vice President, General Counsel and Corporate Secretary
Date: April 9, 2012
Re: Board Training Resources and National Association of Corporate Directors Membership for 2012

HR&G Committee Charter

The current HR&G Committee Charter, effective March 22, 2011 (Charter), provides in part that the Committee shall consider Board training opportunities that could enhance the Board's performance.¹ The Committee's functions include consideration of necessary training to enhance the Board's performance, keeping apprised of the latest corporate governance trends and issues.²

ERCOT-Specific Board Training Resources

The following are recommended ERCOT-specific courses for new and existing ERCOT Board Members. Several courses are available in both instructor-led and web-based format. Attending instructor-led training is suggested, if at all possible. Most of these courses are single-day courses, with the notable exception of the Basic Training Program, which spans four days. It is included as an option for any Board Member who is interested in a thorough deep dive into ERCOT's Wholesale Market Operations. For a complete listing of ERCOT Market and Operational courses, please refer to ERCOT's [course catalog](#) under the Services/Training tab on the ERCOT website.

Course	Description	Upcoming Dates	Web-Based Training Available
ERCOT Nodal 101	High-level overview of the ERCOT Wholesale Market.	June 5, 2012 (Houston)	Yes
ERCOT Overview and Roles	General overview of ERCOT and its role in the deregulated market.	Web-based training only	Yes
Basic Training Program	Comprehensive overview of market and system operations in the Wholesale Market design. Does not include CRRs.	April 30 - May 3, 2012 (Austin) September 24-27, 2012 (Austin)	Yes
Congestion Revenue Rights	Comprehensive overview of Congestion Revenue Rights (CRRs).	May (TBD) (Houston) August 9, 2012 (Dallas)	Yes
ERCOT 101 for Wind Generation	Intended to provide an overview from the perspective of Wind Generation Resources, but also provides a nice overview of the Wholesale Market in general.	April 16, 2012 (Austin)	No
ERCOT Retail 101	High-level overview of ERCOT Retail processes and Texas SET transactions.	April 26, 2012 (Austin)	Yes

In addition, ERCOT Legal provides ethics training for Board members at least annually.

¹ See Purpose section of Charter, page 1, paragraph 7.

² See Duties and Responsibilities section of Charter, page 3, paragraph 12.



MEMORANDUM

National Association of Corporate Directors Membership

- Membership Renewal

ERCOT currently maintains a flat-fee National Association of Corporate Directors (NACD) membership for six Board members plus the General Counsel. This membership expires on May 31, 2012, and may be renewed as follows:

- Up to 6 Directors: \$3,900 Annual Base Membership Fee
- From 7 to 15 Directors: Additional \$650 per Director
- Key Executives (e.g., General Counsel): Additional \$675 per Key Executive

ERCOT Legal requests confirmation by April 17, 2012, from Board members who are interested in becoming an NACD member for the upcoming membership year.

- Membership Resources

For its members, NACD provides some best practice training related to boards and their committees. In addition, NACD has complimentary resources available with NACD membership such as the following:

- [Key Committee Support Center](#): This Support Center provides audit, compensation and nominating/governance committee members with the latest news, resources and thought leadership.
- [NACD's Annual Conference](#): This Conference is a three-day, educational event which will be held on October 14-16, 2012, at the Gaylord Hotel in National Harbor, Maryland.
- [ExpressSource®](#): This resource allows submission of any governance and research questions to NACD's research team. Questions are answered confidentially in two business days or less.
- [Knowledge base](#): This is an online tool containing the latest education including white papers, articles, surveys, and case studies to ensure Directors are up to date on the latest key trends, leading practices, new regulations, and all the issues affecting key committees.
- [Board Leader's Briefing Center](#): This Briefing Center is available to the Board Chairman with information, thought leadership and resources on the latest issues, leading practices, key trends and pending legislation affecting boards and committees.
- [Webinars and Webinar Archives](#): NACD offers four webinar series designed to inform Directors regarding board practices.
- [Exclusive Research Hotline for Board Chairman](#): A 24/7 available service allowing the Board Chairman to reach NACD's team of research professionals to answer governance and research questions.