



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

7620 Metro Center Drive, Room 206  
Austin, Texas 78744  
July 16, 2012

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>
Bivens, Danny	Office of Public Utility Counsel	Consumer – Residential (Alternate Representative for Public Counsel Sheri Givens)
Crowell, Craven	Unaffiliated	Unaffiliated Director
Dalton, Andrew (Chairman)	Valero Services, Inc.	Consumer – Industrial
Dreyfus, Mark	Austin Energy	Municipal
Pfirmsmann, Karl	Unaffiliated	Unaffiliated Director
Ryall, Jean (Vice Chair)	Constellation Energy Commodities Group	Independent Power Marketer <i>(Except for Agenda Tabs 1 and 2)</i>

**Guest Board Members and Segment Alternates:**

<b>Director/ Segment Alternate</b>	<b>Affiliation</b>	<b>Segment</b>
Bermudez, Jorge	Unaffiliated	Unaffiliated Director
Brown, Jeff	Shell Energy North America (US) LP	Independent Power Marketer Segment Alternate
Doggett, H.B. “Trip”	ERCOT	President and Chief Executive Officer (CEO)
Fehrenbach, Nick	City of Dallas	Consumer – Commercial
Gent, Michehl	Unaffiliated	Unaffiliated Director
Karnei, Clifton	Brazos Electric Power Cooperative, Inc.	Cooperative <i>(Agenda Tabs 1 through 4 only)</i>
Walsh, Judy	Unaffiliated	Unaffiliated Director

**Other Guests:**

Day, Betty	ERCOT Vice President of Business Integration
Dreyer, Jerry	ERCOT Vice President and Chief Information Officer
Feuerbacher, Paula	ERCOT Strategic Projects Senior Advisor
Garcia, Diana	Senior Manager, Maxwell, Locke & Ritter, LLP



Landry, Brianna	Audit Associate, Maxwell, Locke & Ritter, LLP
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
Petterson, Michael	ERCOT Vice President of Finance and Treasury
Westbrook, Susan	ERCOT Director of Human Resources
Zimmerhanzel, A.J.	Engagement Partner, Maxwell, Locke & Ritter, LLP

**Call General Session to Order, Announce Proxies and Segment Alternates (Agenda Tab 1)**

Andrew Dalton, HR&G Committee Chairman, determined that a quorum was present and called the HR&G Committee meeting to order at approximately 3:32 p.m. Danny Bivens attended as the Consumer/Residential Alternate Representative for Public Counsel Sheri Givens in her absence.

Chairman Dalton addressed the following Agenda Items in the order below.

**June 18, 2012 General Session Meeting Minutes (Agenda Tab 2)**

Chairman Dalton entertained a motion to approve the June 18, 2012 General Session Meeting Minutes (Minutes).

**Karl Pfirrmann moved to approve the Minutes as presented. Craven Crowell seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

**2011 Audit Report of ERCOT 401(k) Savings Plan (Agenda Tab 3)**

Chuck Manning, ERCOT Vice President of Human Resources and Chief Compliance Officer, reported that representatives of the auditor, Maxwell, Locke & Ritter, LLP, presented the 2011 Audit Report of the ERCOT 401(k) Savings Plan to the Finance and Audit (F&A) Committee at its meeting earlier that day. He further reported that the F&A Committee voted to recommend that the Board accept such Audit Report. Mr. Manning and Diana Garcia, Senior Manager with Maxwell, Locke & Ritter, LLP, responded to questions and comments from Committee members.

**Human Resources (HR) Operations Report (Agenda Tab 4)**

Mr. Manning presented the HR Operations Report and responded to questions and comments from Committee members.

**Recommendation Regarding Proposed Modifications to ERCOT Board Policies and Procedures (Agenda Tab 5)**

Chairman Dalton entertained discussion regarding the proposed modifications to ERCOT Board Policies and Procedures.

**Chairman Dalton moved to recommend Board approval of the Proposed Modifications to ERCOT Board Policies and Procedures as presented with an effective date of July 1, 2012. Mark Dreyfus seconded the motion. The motion passed by unanimous voice vote with two abstentions (Unaffiliated Directors Karl Pfirrmann and Craven Crowell).**



**Second Quarter 2012 Key Performance Indicator (KPI) Update (Agenda Tab 6)**

Paula Feuerbacher, ERCOT Strategic Projects Senior Advisor, provided an update on the Second Quarter 2012 Key Performance Indicator. She advised that the summary information on the Information Technology slide (IT 10), as submitted in the Committee materials, was erroneous and noted that the underlying data was correct. The discussion continued later in the meeting.

**Second Quarter 2012 ERCOT Five-Year Strategic Plan Update (Agenda Tab 7)**

Ms. Feuerbacher presented the Second Quarter 2012 ERCOT Five-Year Strategic Plan update. She responded to questions and comments from Committee members.

**Second Quarter 2012 KPI Update (Agenda Tab 6) – Continued**

Ms. Feuerbacher, Michael Petterson, ERCOT Vice President of Finance and Treasury, and Trip Doggett, ERCOT President and CEO, responded to questions and comments from Committee members.

**2012 Board Strategic Planning Event (Agenda Tab 8)**

Ms. Feuerbacher provided an update on the 2012 Board Strategic Planning Event scheduled for Monday, September 17, 2012 at the ERCOT Taylor facility. Ms. Feuerbacher responded to questions and comments from Committee members.

**Other Business (Agenda Tab 9)**

No other business was discussed at this time.

**Executive Session**

Chairman Dalton noted that the only voting item during Executive Session was the June 18, 2012 Executive Session meeting minutes and that there were no voting items expected after the conclusion of Executive Session. Chairman Dalton adjourned the meeting into Executive Session at approximately 3:53 p.m.

**Vote on Matters from Executive Session (Agenda Tab 10)**

There were no voting items from Executive Session.

**Adjournment (Agenda Tab 11)**

Chairman Dalton adjourned the meeting at approximately 5:20 p.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/).

A handwritten signature in cursive script that reads "Vickie G. Leady".

Vickie G. Leady

Assistant Corporate Secretary