



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

7620 Metro Center Drive, Room 168
Austin, Texas 78744
November 18, 2013

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
Crowell, Craven	Unaffiliated	Unaffiliated Director
Baer, Tonya	Office of Public Utility Counsel	Consumer – Residential
Dalton, Andrew	Valero Services, Inc.	Consumer – Industrial (<i>Present for Agenda Items 6.5, 7, 8, 8.1, 8.2, 9, 10 and 11</i>)
Dreyfus, Mark	Austin Energy	Municipal
Pfarrmann, Karl (Chairman)	Unaffiliated	Unaffiliated Director (Proxy for Andrew Dalton)
Porter, Jean Ryall (Vice Chair)	CCNG Power, LLC	Independent Power Marketer

Guest Board Members, Segment Alternates and Alternate Representatives:

Director/ Segment Alternate	Affiliation	Segment
Ashley, Kristy	Exelon Corporation	Independent Generator Segment Alternate
Bivens, Danny	Office of Public Utility Counsel Alternate Representative	Commercial - Residential

Officers and Other Guests:

Day, Betty	ERCOT Vice President of Business Integration (<i>Not Present for Agenda Items 1, 2, 9, 10 and 11</i>)
Dreyer, Jerry	ERCOT Vice President and Chief Information Officer (<i>Not Present for Agenda Items 1, 2, 9, 10 and 11</i>)
Feuerbacher, Paula	ERCOT Strategic Projects Senior Advisor
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
Ogelman, Kenan	CPS Energy, Technical Advisory Committee Chairman



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

Karl Pfirrmann, HR&G Committee Chairman, determined that a quorum was present and called the HR&G Committee meeting to order at approximately 1:07 p.m. Chairman Pfirrmann welcomed Public Counsel Tonya Baer to the Committee. He noted the security and antitrust admonitions. Chairman Pfirrmann announced that he held a proxy for Andrew Dalton until his arrival at the meeting and addressed the following Agenda Items in the order below.

September 16, 2013 General Session Meeting Minutes (Agenda Item 2)

Chairman Pfirrmann noted a minor modification to the September 16, 2013 General Session Meeting Minutes (Minutes) (that is, to add the word “no” on page 2 of the Minutes to clarify that there were no voting matters from Execution Session) and entertained a motion to approve the Minutes with such revision.

Craven Crowell moved to approve the Minutes with the revision noted by Chairman Pfirrmann. Vice Chair Jean Ryall Porter seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Human Resources (HR) Operations Report (Agenda Item 3)

Chuck Manning provided the Committee members with the HR Operations Report. Chairman Pfirrmann commended ERCOT staff on its training initiatives. Mr. Manning responded to questions and comments from the Committee members.

Recommendation regarding ERCOT Legal Proposed Modifications to Board Policies and Procedures (Agenda Item 4)

Chairman Pfirrmann requested that Bill Magness review the ERCOT Legal proposed modifications to Board Policies and Procedures. Mr. Magness noted that the proposed modifications fell into two main groups – Administrative Modifications, and Modifications related to Recently Approved Bylaws Amendments (as further noted in Agenda Items 4.1 and 4.2 below).

Administrative Modifications (Agenda Item 4.1)

Mr. Magness reviewed the Administrative Modifications proposed by ERCOT Legal and responded to questions and comments from Committee members.

Vice Chair Porter moved to approve the Administrative Modifications as presented. Mr. Crowell seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Modifications Related to Recently Approved Bylaws Amendments (Agenda Item 4.2)

Mr. Magness reviewed the Modifications related to Recently Approved Bylaws Amendments proposed by ERCOT Legal (as further noted in Agenda Items 4.2.1 and 4.2.2 below).



Budget Provisions; Procedures for Determination of Member-Affiliate Relationship (Agenda Items 4.2.1 and 4.2.2)

Mr. Magness reviewed the Budget Provisions and the Procedures for Determination of Member-Affiliate Relationship modifications proposed by ERCOT Legal.

Mr. Crowell moved to approve the Budget Provisions and the Procedures for Determination of Member-Affiliate Relationship modifications as presented. Chairman Pfirrmann seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Board Chair and Vice Chair Terms (Agenda Item 4.3)

Mr. Magness reviewed the Board Chair and Vice Chair Terms modifications proposed by ERCOT Legal.

Mark Dreyfus moved to approve the Board Chair and Vice Chair Terms modifications as presented. Chairman Pfirrmann seconded the motion. The motion passed by unanimous voice vote with no abstentions.

In response to Mr. Crowell's inquiry later in the meeting whether he should have abstained from this vote, Mr. Magness confirmed that he did not need to do so since his financial interest in serving as Board Chair would not be affected by the vote.

User Fees (Agenda Item 4.4)

Mr. Magness noted that the Finance and Audit (F&A) Committee was considering the topic of User Fees simultaneously and further reviewed Existing and New User Fees Issues and Board Policy on Approval of User Fees Agenda Items (as further noted in Agenda Items 4.4.1 and 4.4.2 below).

Existing and New User Fees Issues (Agenda Item 4.4.1)

Mr. Magness reviewed Existing and New User Fees Issues with the Committee.

Board Policy on Approval of User Fees (Agenda Item 4.4.2)

Mr. Magness reviewed the Board Policy on Approval of User Fees modifications proposed by ERCOT Legal.

Mr. Crowell moved to approve the Board Policy on Approval of User Fees modifications as presented. Mr. Dreyfus seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Periodicity of Meetings Pursuant to Public Utility Commission Rule (Agenda Item 5)

At Chairman Pfirrmann's request, Mr. Magness reviewed the Periodicity of Meetings pursuant to Public Utility Commission Rule. Chairman Pfirrmann, Mr. Crowell and Mr. Magness discussed the 2014 Board meeting schedule and the possibility of cancellation of the January 2014 Board and Committee meetings.



Follow Up on Bylaws Amendments Process (Agenda Item 6)

Chairman Pfirrmann requested that Mr. Magness provide the Follow Up on Bylaws Amendments Process (as further noted in Agenda Items 6.1 through 6.5 below).

Update on Approval of Bylaws Amendments (Agenda Item 6.1)

Mr. Magness provided the Update on Approval of Bylaws Amendments.

Review of Proposed Bylaws Amendment on Market Segment Director Eligibility Requirements (Agenda Item 6.2)

Mr. Magness and Vickie Leady reviewed the Proposed Bylaws Amendment on Market Segment Director Eligibility Requirements. Chairman Pfirrmann requested that Committee members provide feedback on the approval timeline and proposed language.

Review of Proposed Voting Procedures (Agenda Item 6.3)

Mr. Magness and Ms. Leady reviewed the Proposed Voting Procedures.

Review of Electronic Balloting Process (Agenda Item 6.4)

Andrew Dalton joined the meeting.

Mr. Magness and Chairman Pfirrmann reviewed the Electronic Balloting Process.

Review of Notice of Change in Designated Representatives of Corporate Members (Agenda Item 6.5)

Mr. Magness and Ms. Leady reviewed the Notice of Change in Designated Representatives of Corporate Members.

2014 ERCOT Strategic Plan (Agenda Item 7)

Paula Feuerbacher reviewed the 2014 ERCOT Strategic Plan. Chairman Pfirrmann commended Ms. Feuerbacher, ERCOT staff and DNV GL (formerly DNV KEMA) on the 2014 ERCOT Strategic Plan. Mr. Crowell also thanked Ms. Feuerbacher and ERCOT staff for their dedicated efforts on this initiative.

Key Performance Indicators (KPIs); Third Quarter 2013 KPIs Update (Agenda Items 8 and 8.1)

Ms. Feuerbacher provided the Third Quarter 2013 KPIs Update. Ms. Feuerbacher and Jerry Dreyer responded to questions and comments from Committee members.

Recommendation regarding 2014 KPIs (Agenda Item 8.2)

Ms. Feuerbacher reported that she had reviewed the 2014 KPIs with the F&A Committee earlier that afternoon, shared the F&A Committee's comments on the 2014 KPIs, and noted the F&A Committee's support of the 2014 KPIs as presented.

Vice Chair Porter moved to approve the 2014 KPIs as presented. Mr. Dalton seconded the motion. Mr. Dalton, Chairman Pfirrmann and Ms. Feuerbacher discussed ways to maintain visibility and tracking of the KPIs on a periodic basis. **The motion passed by unanimous voice vote with no abstentions.**



Report on Annual Technical Advisory Committee and Subcommittee Structural/Procedural Review (Agenda Item 9)

Kenan Ogelman provided the Report on Annual Technical Advisory Committee and Subcommittee Structural/Procedural Review. Mr. Ogelman responded to questions and comments of Committee members.

Annual Committee Self-Evaluation Survey Results (Agenda Item 10)

Chairman Pfirrmann reviewed the Annual Committee Self-Evaluation Survey Results.

Other Business (Agenda Item 11)

No other business was discussed at this time.

Executive Session

Chairman Pfirrmann adjourned the meeting into Executive Session at approximately 2:28 p.m. and reconvened General Session at approximately 3:20 p.m.

Vote on Matters from Executive Session (Agenda Item 12)

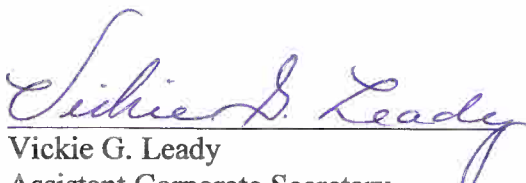
Chairman Pfirrmann requested a vote on the Personnel matter discussed during Executive Session.

Tonya Baer moved to recommend Board approval of the Personnel matter as discussed during Executive Session. Mr. Dalton seconded the motion. The motion passed by unanimous voice vote with no abstentions.

Adjourn (Agenda Item 13)

After a motion by Vice Chair Porter and second by Mr. Crowell, Chairman Pfirrmann adjourned the meeting at approximately 3:23 p.m.

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


Vickie G. Leady
Assistant Corporate Secretary