



**DRAFT 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  
February 8, 2016

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>             |
|--------------------------------|---|----------------------------|
| Baer, Tonya<br>(Vice Chair)    | Office of Public Utility Counsel            | Consumer - Residential     |
| Cramton, Peter                 | Unaffiliated                                | Unaffiliated Director      |
| Crowell, Craven                | Unaffiliated                                | Unaffiliated Director      |
| Durland, Jack                  | Valero Services, Inc.                       | Consumer - Industrial      |
| Emery, Keith                   | Tenaska Power Services                      | Independent Power Marketer |
| Pfirmsmann, Karl<br>(Chairman) | Unaffiliated                                | Unaffiliated Director      |
| Shellman, Carolyn              | CPS Energy                                  | Municipal                  |
| Smith, Wade                    | American Electric Power Service Corporation | Investor-Owned Utility     |

Other Board Members:

| <b>Director/<br/>Segment Alternate</b> | <b>Affiliation</b>                          | <b>Segment</b>                                 |
|--|---|--|
| Cochran, Seth                          | DC Energy Texas, LLC                        | Independent Power Marketer – Segment Alternate |
| Magness, Bill                          | President and Chief Executive Officer (CEO) | ERCOT  |
| Mercado, Kenneth                       | CenterPoint Energy, Inc.                    | Investor-Owned Utility – Segment Alternate     |

Officers and Guests:

|               |  |
|---------------|--|
| Day, Betty    | ERCOT Vice President of Governance, Risk and Compliance and Chief Compliance Officer |
| Leady, Vickie | ERCOT Assistant General Counsel and Assistant Corporate Secretary                    |



|                |   |
|----------------|---|
| Mele, Cheryl   | ERCOT Chief Operating Officer               |
| White, Shirley | ERCOT Lead Human Resources Business Partner |

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

Craven Crowell, Board Chairman, determined that a quorum was present and called the HR&G Committee meeting to order at approximately 1:00 p.m. Board Chairman Crowell announced that there were no proxies and addressed the following Agenda Items in the order below.

**Committee Membership (Agenda Item 2)**

Mr. Crowell noted the Committee Membership for 2016 which was provided in the meeting materials. There were no requested changes to the Committee membership.

**Election of Committee Chair and Committee Vice Chair (Agenda Item 3)**

Mr. Crowell entertained nominations for Committee Chair and Vice Chair.

**Carolyn Shellman nominated Karl Pfirrmann and Tonya Baer as the 2016 Human Resources & Governance Committee Chair and Vice Chair, respectively. Jack Durland seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

Upon Mr. Pfirrmann's re-election as Committee Chairman, Mr. Crowell handed the meeting over to Chairman Pfirrmann. Chairman Pfirrmann thanked the Committee for his re-election and asked Committee Members, Segment Alternates and ERCOT staff to introduce themselves, at which time they did.

**Designation of Committee Secretary (Agenda Item 4)**

Chairman Pfirrmann entertained a motion to designate Chad Seely, ERCOT General Counsel, as Committee Secretary and Vickie Leady, ERCOT Assistant General Counsel, as Mr. Seely's designate.

Mr. Crowell moved to designate Chad Seely, ERCOT General Counsel, as the 2016 Committee Secretary and Vickie Leady, ERCOT Assistant General Counsel, as Mr. Seely's designate. Vice Chair Baer seconded the motion. The motion passed by unanimous voice vote with no abstentions.

**December 7, 2015 General Session Meeting Minutes (Agenda Item 5)**

Chairman Pfirrmann entertained a motion to approve the December 7, 2015 General Session Meeting Minutes (Minutes).

**Keith Emery moved to approve the Minutes as presented. Wade Smith seconded the motion. The motion passed by unanimous voice vote with no abstentions.**



### **Recommendation regarding Proposed Revisions to Committee Charter (Agenda Item 6)**

Chairman Pfirrmann reported that there were no proposed substantive revisions to the Committee Charter, but rather some proposed clarification and realignment changes. He entertained discussion on the matter. Chairman Pfirrmann and Ms. Leady discussed the incorporation of Chairman Pfirrmann's proposed clarifying revisions on the Committee's responsibilities regarding the design and key terms of employment agreements and of severance policies.

**Ms. Shellman moved to approve the proposed revisions to the Committee Charter, as presented with Chairman Pfirrmann's additional clarifying revisions. Vice Chair Baer seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

### **Recommendation regarding Election of Chief Executive Officer and Ratification of Officers (Agenda Item 7)**

After reviewing the list of recommended officers for ratification, Chairman Pfirrmann entertained a motion for the recommendation regarding the election of Chief Executive Officer and ratification of officers.

**Mr. Crowell moved to recommend Board approval of Bill Magness as Chief Executive Officer and the ratification of officers, as presented. Mr. Emery seconded the motion. The motion passed by unanimous voice vote with no abstentions.**

### **Human Resources (HR) Operations Report (Agenda Item 8)**

Shirley White presented the HR Operations Report and highlighted updates to the report dashboard. Ms. White responded to questions and comments from Committee members.

### **Q4 2015 Key Performance Indicator Review (Agenda Item 9)**

Betty Day presented the Q4 2015 Key Performance Indicator Review. Ms. Day responded to questions and comments from Committee members.

### **Annual Review of Governing Documents (Agenda Item 10)**

Chairman Pfirrmann presented an overview of the annual review of governing documents and requested feedback from the Committee with regard to any proposed changes. There were no questions or comments from Committee members at this time.

### **Other Business (Agenda Item 11)**

No other business was discussed at this time.

### **Executive Session; Vote on Matters from Executive Session; Adjournment (Agenda Items 12 and 13)**

Chairman Pfirrmann announced that no voting items from Executive Session were expected; and, accordingly, he would adjourn the meeting immediately upon conclusion



of Executive Session. Chairman Pfirrmann recessed General Session at approximately 1:20 p.m. to convene Executive Session at approximately 1:25 p.m.

There were no voting items from Executive Session.

Chairman Pfirrmann adjourned the meeting upon the conclusion of Executive Session at approximately 1:56 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/).

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Vickie G. Leady  
Assistant Corporate Secretary