

The Human Resources and Governance (HR&G) Committee is expected to consider HR&G Committee Agenda Item 7:

Recommendation Regarding Ratification of Officer

at its meeting on June 13, 2016.

The Board of Directors is expected to hear the HR&G Committee's recommendation on this matter as part of the HR&G Committee Report at the Board meeting on June 14, 2016.

Attached are the Board materials in relation to these agenda items.



Date: June 7, 2016
To: Board of Directors
From: Bill Magness, ERCOT President and Chief Executive Officer (CEO)
Subject: Ratification of Officer

Issue for the ERCOT Board of Directors

ERCOT Board of Directors Meeting Date: June 14, 2016

Item No.: 15.1

Issue:

Ratification of officer of Electric Reliability Council of Texas, Inc. (ERCOT) for 2016.

Background/History:

Section 8.2 of ERCOT's Amended and Restated Bylaws, as approved on August 17, 2015 (Bylaws), requires that the ERCOT Board of Directors (Board) ratify ERCOT officers for terms not to exceed one year. Section 8.2 further provides that officers may be re-elected or re-ratified for consecutive terms without limitation and that all officers shall hold office until their successors are chosen and qualified or until their earlier resignation or removal.

At its meeting on June 13, 2016, the HR&G Committee is expected to consider the ratification of the following Officer, while employed for a term not to exceed one year, as recommended by Bill Magness, President and CEO:

- Steve Daniels, Vice President, Application Services and Information Technology (IT) Operations, effective May 16, 2016.

Key Factors Influencing Issue:

The Bylaws require the ratification of officers at least annually. It is preferable to ratify officers as the CEO promotes or hires executives for certain leadership roles.

Conclusion/Recommendation:

The HR&G Committee is expected to consider recommending whether the ERCOT Board should ratify the following new ERCOT officer for 2016, as recommended by Mr. Magness, ERCOT President and CEO, while employed for a term not to exceed one year:

- Steve Daniels, Vice President, Application Services and IT Operations, effective May 16, 2016.



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

WHEREAS, pursuant to Section 8.2 of the Amended and Restated Bylaws of Electric Reliability Council of Texas, Inc. (ERCOT), the ERCOT Board of Directors (Board) shall ratify ERCOT officers for a term while employed not to exceed one year;

WHEREAS, the ERCOT Board deems it desirable and in the best interest of ERCOT to ratify a new ERCOT Officer for 2016 for a term while employed not to exceed one year, as recommended by Bill Magness, ERCOT President and Chief Executive Officer (CEO) and the Human Resources and Governance (HR&G) Committee;

THEREFORE, BE IT RESOLVED, the ERCOT Board hereby ratifies the following new officer, while employed for a term not to exceed one year, as recommended by Bill Magness, ERCOT President and CEO, and the HR&G Committee:

- Steve Daniels, Vice President, Application Services and IT Operations, effective May 16, 2016.

CORPORATE SECRETARY'S CERTIFICATE

I, Vickie G. Leady, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its June 16, 2016 meeting, the ERCOT Board passed a motion approving the above Resolution by _____.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of June, 2016.

Vickie G. Leady
Assistant Corporate Secretary