

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

***Recommendation regarding
Election of Chief Executive Officer and
Ratification of Officers***

at its meeting on February 11, 2019.

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 February 12, 2019.

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



Date: February 5, 2019
To: Board of Directors
From: Human Resources and Governance (HR&G) Committee Chair
Subject: Election of Chief Executive Officer (CEO) and Ratification of Officers

Issue for the ERCOT Board of Directors

ERCOT Board of Directors Meeting Date: February 12, 2019

Item No.: 16.2

Issue:

Election of the CEO and ratification of Officers of Electric Reliability Council of Texas, Inc. (ERCOT).

Background/History:

Sections 8.2 and 4.10(b) and (c) of ERCOT's Amended and Restated Bylaws, as approved on January 17, 2019 (Bylaws), requires that the ERCOT Board of Directors (Board) elect the CEO of ERCOT and ratify the remaining 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. Section 7.1 of the Bylaws provides in part that "[t]he CEO shall serve as President of ERCOT."

At its meeting on February 12, 2019, the HR&G Committee will consider the election of CEO and ratification of Officers as recommended by Bill Magness, ERCOT President and CEO.

Key Factors Influencing Issue:

- The Bylaws require the election of the ERCOT CEO and ratification of Officers at least annually.
- ERCOT must have a CEO and Officers to perform its statutory and corporate functions.

Conclusion/Recommendation:

The HR&G Committee will consider recommending whether, at its February 11, 2019 Board meeting, the ERCOT Board should elect Bill Magness as President and CEO of ERCOT, while employed for a term not to exceed one year, and should ratify the following ERCOT Officers for the 2019 year, while employed for a term not to exceed one year:

Senior Vice President and Chief Administrative Officer – Jeyant Tamby;
Senior Vice President and Chief Information Officer – Jerry Dreyer;
Senior Vice President and Chief Operating Officer – Cheryl Mele;
Vice President and Chief Financial Officer – Michael Petterson;



Vice President, Commercial Operations - Kenan Ögelman;
Vice President, Digital Services - Steve Daniels;
Vice President, External Affairs and Corporate Communications - Theresa Gage;
Vice President, General Counsel and Corporate Secretary - Chad V. Seely;
Vice President, Governance, Risk & Compliance and Chief Compliance Officer - Betty Day;
Vice President, Grid Planning and Operations - Woody Rickerson; and
Assistant General Counsel and Assistant Corporate Secretary - Vickie Leady.



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

WHEREAS, pursuant to Sections 8.2 and 4.10(b) and (c) of the Amended and Restated Bylaws of Electric Reliability Council of Texas, Inc. (ERCOT), the ERCOT Board of Directors (Board) shall elect the ERCOT Chief Executive Officer (CEO) and ratify other ERCOT Officers for a term while employed not to exceed one year;

WHEREAS, Section 7.1 of the Bylaws provides in part that the ERCOT CEO shall serve as President of ERCOT; and

WHEREAS, the ERCOT Board deems it desirable and in the best interest of ERCOT to elect a President and CEO and ratify other ERCOT Officers for the 2019 year for a term while employed not to exceed one year

THEREFORE, BE IT RESOLVED, the ERCOT Board hereby elects Bill Magness to serve as ERCOT President and CEO for a term while employed not to exceed one year; and

RESOLVED FURTHER, the ERCOT Board hereby ratifies the following other ERCOT Officers for the 2019 year for a term while employed not to exceed one year:

Senior Vice President and Chief Administrative Officer – Jeyant Tamby;
Senior Vice President and Chief Information Officer – Jerry Dreyer;
Senior Vice President and Chief Operating Officer – Cheryl Mele;
Vice President and Chief Financial Officer – Michael Petterson;
Vice President, Commercial Operations - Kenan Ögelman;
Vice President, Digital Services - Steve Daniels;
Vice President, External Affairs and Corporate Communications - Theresa Gage;
Vice President, General Counsel and Corporate Secretary - Chad V. Seely;
Vice President, Governance, Risk & Compliance and Chief Compliance Officer - Betty Day;
Vice President, Grid Planning and Operations - Woody Rickerson; and
Assistant General Counsel and Assistant Corporate Secretary - Vickie Leady.



CORPORATE SECRETARY'S CERTIFICATE

I, Vickie G. Leady, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its February 12, 2019 meeting, the ERCOT Board passed a motion approving the above Resolution by _____.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of February, 2019.

Vickie G. Leady
Assistant Corporate Secretary