

The Human Resources and Governance (HR&G) Committee is expected to consider HR&G Committee Agenda Item 6:

Recommendation regarding Board Committee Assignments

at its meeting on August 30, 2023.

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 August 31, 2023.

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



Date: August 24, 2023
To: Board of Directors
From: Peggy Heeg, Human Resources and Governance (HR&G) Committee Chair
Subject: Board Committee Assignments

Issue for the ERCOT Board of Directors

ERCOT Board of Directors Meeting Date: August 31, 2023

Item No.: 10.3

Issue:

Assignment of members of the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) to committees of the Board (Committees) and designation of Committee Chairs, effective September 1, 2023.

Background/History:

Section 4.8 of the *Amended and Restated Bylaws of Electric Reliability Council of Texas, Inc.* (Bylaws) provides, in pertinent part: “The Board ... may appoint [Committees] as it deems necessary and appropriate to conduct the business of ERCOT.” Aside from the Technical Advisory Committee (TAC), the membership of which does not include any Board members and is prescribed by the Bylaws, the Board currently has three Committees: The Finance and Audit (F&A) Committee, the H&RG Committee, and the Reliability and Markets (R&M) Committee. The Committee Charters for each of these Committees all provide, in Section II(A)(1): “The Board shall confirm the Committee’s membership (“Committee Members”) based on candidates’ combined expertise and experience to facilitate the Committee’s execution of the Duties and Responsibilities section of this Charter.” Further, each Committee Charter provides, in Section III(a)(1): “The Board shall designate a Committee Member, who shall not be the Chief Executive Officer (“CEO”) of ERCOT, as the Committee Chair.” Pursuant to HR&G Committee Charter Sections IV(B)(1)(a)(iii) and IV(B)(2)(a)(ii), the Board has delegated to the HR&G Committee oversight of Board Committee structure and membership.

At its meeting on August 31, 2023, the Board is expected to form a fourth Committee: The Technology and Security (T&S) Committee. A vacant seat on the Board was also recently filled. Accordingly, it is appropriate to consider membership for the Board’s Committees and assign or reassign members to Committees consistent with the anticipated new Committee structure.

Based on evaluations of Board members’ skills and Committee preferences, Board and HR&G Committee leadership have proposed the Committee assignments, including Chairs, set forth in **Attachment A** hereto, to be effective September 1, 2023. The proposed Committee assignments align with the Board’s objective that each of its

Committees have a membership whose combined expertise and experience facilitate execution of the Committee's duties and responsibilities.

Key Factors Influencing Issue:

- The charters of the Board's current Committees each provide that the Board shall confirm each Committee's membership, based on candidates' combined expertise and experience to facilitate the Committee's execution of its duties and responsibilities, and designate a Chair for each Committee.
- The Board is expected to form a new, fourth Board Committee and recently filled a vacant Board seat.
- The proposed Committee membership and Chair assignments align with the Board's objectives.

Conclusion/Recommendation:

The HR&G Committee will consider Committee membership and Chair assignments at its meeting on August 30, 2023, and is expected to recommend that the Board approve the membership for each Committee and designation of Committee Chairs, effective September 1, 2023, as set forth in **Attachment A**.



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

WHEREAS, the current charters for each of the committees (Committees) of the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT), aside from the Technical Advisory Committee, all provide that the Board shall confirm the Committee’s membership based on candidates’ combined expertise and experience to facilitate the Committee’s execution of its duties and responsibilities and designate a Committee member, who shall not be the Chief Executive Officer of ERCOT, as the Committee Chair;

WHEREAS, the Human Resources and Governance (HR&G) Committee has recommended that the Board approve the membership for each Committee and designation of Committee Chairs, effective September 1, 2023, as set forth in **Attachment A**; and

WHEREAS, after due consideration of the alternatives, the Board deems it desirable and in the best interest of ERCOT to approve the membership for each Committee and designation of Committee Chairs as recommended by the HR&G Committee;

THEREFORE, BE IT RESOLVED, that the Board hereby approves the membership for each Committee and designation of Committee Chairs, effective September 1, 2023, as set forth in **Attachment A**, as recommended by the HR&G Committee.

CORPORATE SECRETARY’S CERTIFICATE

I, Jonathan M. Levine, Assistant Corporate Secretary of ERCOT, do hereby certify that, at its _____ meeting, the Board passed a motion approving the above Resolution by _____.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____, 2023.

Jonathan M. Levine
Assistant Corporate Secretary

**ERCOT Board Committee Membership and Chairs
(Effective September 1, 2023)**

Finance and Audit (F&A) Committee

Bill Flores (Chair)
Bob Flexon
Peggy Heeg
Courtney Hjaltman

Human Resources and Governance (HR&G) Committee

Peggy Heeg (Chair)
Linda Capuano
Bill Flores
John Swainson

Reliability and Markets (R&M) Committee

Bob Flexon (Chair)
Carlos Aguilar
Julie England
Courtney Hjaltman

Technology and Security (T&S) Committee

John Swainson (Chair)
Carlos Aguilar
Linda Capuano
Julie England