



**Date:** June 8, 2010  
**To:** Board of Directors  
**From:** Andrew Dalton, Chair, Human Resources and Governance (HR&G)  
Committee of the Board of Directors  
**Subject:** Ratification of Senior Vice President and Chief Operating Officer (COO)

**Issue for the ERCOT Board of Directors**

**ERCOT Board of Directors Meeting Date:** June 15, 2010

**Agenda Item No.:** 27

**Issue:**

Whether the Board of Directors (Board) of Electric Reliability Council of Texas, Inc. (ERCOT) should ratify a Senior Vice President and COO for a term not to exceed one year.

**Background/History:**

Section 8.2 (Tenure) of the ERCOT Amended and Restated Bylaws (Bylaws) requires that the Board ratify its Officers for terms not to exceed one year. Officers may be re-elected or re-ratified for consecutive terms without limitation.

H.B. “Trip” Doggett currently serves ERCOT in the positions of Interim President and Chief Executive Officer (CEO) as well as Senior Vice President and COO. At the Special Joint Meeting of the Nominating Committee and Board on May 27, 2010, the Board voted unanimously to accept the HR&G Committee’s recommendation to elect H.B. “Trip” Doggett as President and CEO subject to the finalization of terms and conditions of employment. The Board is expected to elect Mr. Doggett as President and CEO at its June 15, 2010 meeting.

Mike Cleary currently serves ERCOT in the position of Senior Vice President and Chief Technology Officer. Also at the Special Joint Meeting of the Nominating Committee and Board on May 27, 2010, the Board voted unanimously to accept the HR&G Committee’s recommendation to ratify Mr. Cleary as Senior Vice President and COO subject to the finalization of terms and conditions of employment. The terms and conditions of Mr. Cleary’s employment are expected to be finalized by the Board meeting on June 15, 2010. If Mr. Cleary is ratified as Senior Vice President and COO by the Board on June 15, 2010, then it would be recommended that he would cease to serve as Senior Vice President and Chief Technology Officer upon such ratification.

**Key Factors Influencing Issue:**

- The Bylaws specifically contemplate and mandate the ratification of Officers at least annually.
- ERCOT must have Officers to perform its statutory and other functions.

**Alternatives:**

- Approve the proposed resolution as presented, that is, ratify Mr. Cleary as Senior Vice President and COO for a term while employed not to exceed one year;



- Take other action with regard to the Senior Vice President and COO position as the Board believes to be appropriate and provide instruction to ERCOT staff as needed.

**Conclusion/Recommendation:**

The Board should ratify Mr. Cleary solely as Senior Vice President and COO for a term while employed not to exceed one year. Upon such ratification, it is recommended that Mr. Cleary would cease to serve as Senior Vice President and Chief Technology Officer.



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

WHEREAS, pursuant to Section 8.2 (Tenure) of the Bylaws (Bylaws) of Electric Reliability Council of Texas, Inc. (ERCOT), the ERCOT Board of Directors (Board) shall ratify ERCOT Officers (except for the election of the Chief Executive Officer) for terms not to exceed one year;

WHEREAS, after due consideration of the alternatives, the Board deems it desirable and in the best interest of ERCOT to ratify a Senior Vice President and Chief Operating Officer (COO) for a term not to exceed one year;

THEREFORE, BE IT RESOLVED, the ERCOT Board hereby ratifies Mike Cleary to serve solely in the position of ERCOT Senior Vice President and COO for a term while employed not to exceed one year.

**CORPORATE SECRETARY'S CERTIFICATE**

I, Bill Magness, Interim Corporate Secretary of ERCOT, do hereby certify that, at its June 15, 2010 meeting, the ERCOT Board of Directors passed a motion approving the above Resolution by \_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of June, 2010.

\_\_\_\_\_  
Bill Magness  
Interim Corporate Secretary