

**Southwest Power Pool
CORPORATE GOVERNANCE COMMITTEE MEETING
April 26, 2005
Crowne Plaza Austin – Austin, TX**

• M I N U T E S •

Agenda Item 1 – Administrative Items

SPP Chair Nick Brown called the meeting to order at 2:20 p.m. The following members were in attendance or represented by proxy: Nick Brown (SPP); Jim Eckelberger (Director); Kevin Easley (GRDA); Mel Perkins (OG+E); Jim Stanton (Calpine). Also in attendance: Michael Desselle (AEP); Quentin Jackson, Phyllis Bernard, Harry Skilton and Josh Martin (Directors). Staff in attendance: Stacy Duckett and Carl Monroe.

Mr. Brown referred to draft minutes for the April 9, 2004; January 17, 2005; March 18, 2005; and April 8, 2005 meetings and asked for corrections or a motion for approval (4/9/04, 1/17/05, 3/18/05 and 4/8/05 Minutes – Attachment 1). Mr. Perkins moved that the minutes be approved as presented. Mr. Eckelberger seconded the motion, which passed unanimously.

Agenda Item 2 – Board of Directors

Expectations of the Board of Directors in a Member-Driven Organization: Mr. Eckelberger noted issues that previously arose around the Board of Directors voting differently from the Members Committee at the October meeting. He requested input from members present as to their expectations of the Board of Directors as it acts independently, but also in support of the membership. Following discussion, it was determined that this topic be further discussed at a future meeting.

Annual Review of Effectiveness: Nick Brown reviewed results of the evaluation survey (Directors Evaluation – Attachment 2). Results will be provided to the Board at their July meeting. The group was also asked to consider how results might contribute to strategic planning.

Voting/Secret Ballot: Nick Brown agreed to re-visit this issue but feels no need to change at this time.

Compensation: Nick Brown provided background on results of the Board of Directors compensation survey (Directors Compensation – Attachment 3). Southwest Power Pool is competitive with other ISO/RTOs in total compensation but allocates it differently between the annual retainer fee and meeting fees. There was also discussion as to whether Directors should be compensated for attending committee/working group meetings of which they are not a member but requested to participate on behalf of SPP. The group concurred to maintain the current fee schedule, but add a structure for participation in unassigned committees/working groups and other meetings/events. The Staff is to develop a proposal for the committee's consideration. The group will also examine opportunities for training/education at the July meeting.

Term Expirations/2005: Stacy Duckett briefly discussed term expirations (Term Expirations/2005 – Attachment 4).

National Association of Corporate Directors Membership: It was recommended and decided that the entire Board of Directors join the National Association of Corporate Directors, and work with staff to develop plans for utilization of the training and resources offered (National Association of Corporate Directors – Attachment 5).

Nick Brown thanked everyone for participating and adjourned the meeting at 4:05 p.m.

Respectfully Submitted,

Stacy Duckett, Secretary