

**Southwest Power Pool**  
**CORPORATE GOVERNANCE COMMITTEE MEETING**

**September 1, 2005**

**Teleconference**

**• M I N U T E S •**

**Agenda Item 1 – Administrative Items**

SPP Chair Nick Brown called the meeting to order at 2:01 p.m. Other members in attendance or represented by proxy were: Jim Eckelberger (Director), Kevin Easley (GRDA), Mel Perkins (OG+E), Jim Stanton (Calpine), Dave Christiano (City of Springfield), and Steve Parr (KEPCo). Also in attendance were: Trudy Harper (Tenaska), Harry Skilton (Director), and Michael Desselle (AEP). SPP Staff included Stacy Duckett.

**Agenda Item 2 – Expiring Terms**

Nick Brown discussed the Board of Directors expiring terms (Terms - Attachment 1). Mel Perkins moved to nominate Josh Martin and Larry Altenbaumer to new terms. Steve Parr seconded the motion, which passed unanimously.

Nick Brown discussed the Members Committee expiring terms. Kevin Easley moved to nominate Harry Dawson, Steve Parr, and Mike Yeager to new terms. Jim Stanton seconded the motion, which passed unanimously. OG+E has expressed interest in filling an IOU position. Kevin Easley moved to nominate Mel Perkins (OG+E) for a new term. Steve Parr seconded the motion, which passed unanimously.

Dave Christiano asked whether the group should reconsider the Markets and Operations Committee (MOPC) chair as well. Mr. Brown explained, per SPP Bylaws, consideration of the MOPC chair would occur in 2006.

**Agenda Item 3 – Board of Directors Evaluation**

Nick Brown discussed the process previously used to conduct the Board of Directors evaluation. The group discussed the form used for the survey (BOD Evaluation Form – Attachment 2). Trudy Harper suggested question(s) related to perceptions of bias. The Staff will provide suggestions. The plan is to distribute the evaluation after the October Board of Directors meeting, with responses due back in late November. The results will be provided at the December Board of Directors meeting as part of the organizational effectiveness review. The evaluation will be distributed to the Board of Directors, the Members Committee and the Market and Operations Committee chair (as before).

**Agenda Item 4 – Role of Board and Members Committee/Feedback from July Meeting**

Nick Brown led a discussion on feedback from the July Board meeting regarding the transmission definition agenda item. The issues are related to the process rather than the outcome. Mr. Brown provided an overview of comments received to date. The question is how much deference should be given to recommendations from technical working groups, while still assuring Board independence. Mr. Brown presented a suggested process. The group decided there was no need to formalize a process at this time.

**Future Meetings**

No future meetings are scheduled.

SPP Corporate Governance Committee Minutes  
September 1, 2005

**Adjournment**

Nick Brown thanked everyone for participating and adjourned the meeting at 2:53 p.m.

Respectfully Submitted,

Stacy Duckett, Secretary



**Southwest Power Pool, Inc.  
CORPORATE GOVERNANCE COMMITTEE MEETING**

**September 1, 2005**

**Teleconference**

**• A G E N D A •**

2 p.m. central

1. Call to Order and Administrative Items ..... Nick Brown
2. Expiring Terms..... Stacy Duckett
  - a. Board of Directors
  - b. Members Committee
3. Board of Directors Evaluation ..... Nick Brown
  - a. Schedule
  - b. Form
4. Role of Board and Members Committee/feedback from July meeting ..... Nick Brown
5. Future Meetings ..... Nick Brown



**Southwest Power Pool, Inc.  
CORPORATE GOVERNANCE COMMITTEE**

**September 1, 2005**

**TERM EXPIRATIONS/2005**

**Background**

Representatives on the Board of Directors and Members Committee serve 3-year terms. To achieve the initial staggering of terms, seats were assigned one, two and three-year terms. The one-year term positions expire at the end of 2005.

**Analysis**

The Corporate Governance Committee is responsible for nominating candidates for the Board of Directors and the Members Committee to the Membership for consideration and election at the Annual Meeting of Members in October. The committee is to notify the President of the specific candidates at least one month prior to the October meeting and publish the ballots to the Membership.

The following positions expire at the end of 2005:

Board of Directors:     Josh Martin  
                                  Larry Altenbaumer

Members Committee (sector):     Harry Dawson (municipals)  
  Mike Palmer (IOU)  
  Steve Parr (Cooperatives)  
  Walt Yeager (IPP/Marketer)  
  Current vacant position (Large retail customer)  
  Current vacant position (Public interest/alternative power)

**Action Requested**

Determination of the nominees to be presented to the Membership at the Annual Meeting of Members in October.

**Southwest Power Pool, Inc.**  
**BOARD OF DIRECTORS EVALUATION FORM**  
**April 2005**

	<b>Considerations</b>	<b>5 Very Good</b>	<b>4 Good</b>	<b>3 Average</b>	<b>2 Fair</b>	<b>1 Poor</b>
1	Board has full and common understanding of the roles and responsibilities of a Board					
2	Board members understand the organization's mission and its services					
3	Organization structure is clear (Board, officers, committees, executive and staff)					
4	Board has clear goals and actions resulting from relevant and realistic strategic planning					
5	Board attends to policy-related decisions which effectively guide operational activities of staff					
6	Board receives regular reports on finances/budgets, performance and other important matters					
7	Board effectively represents the organization to the stakeholder community					
8	Board meetings facilitate focus and progress on important organizational matters					
9	Board regularly monitors and evaluates progress toward strategic goals and objectives					
10	Board regularly evaluates and provides development plans for the Chief Executive					
11	Each member of the Board is involved and interested in the Board's work					
12	All necessary skills, stakeholders and diversity are represented on the Board					

---

**Please list three to five points on which the Board of Directors should focus its attention in the next year. Be as specific as possible in identifying these points.**