APPROVED BY THE BOARD OF DIRECTORS
December 14, 2010
(Amended February 28, 2012)
(Amended February 28, 2013)

CHARTER
NOMINATING AND GOVERNANCE COMMITTEE

Committee Coordinator – P.V. Apodaca

A. PURPOSE

1. The Nominating and Governance Committee (the "Committee") shall be a standing committee appointed by the Board of Directors (the "Board") with responsibility to:

    a. identify individuals qualified to become Board members;
    b. recommend to the Board director nominees for election to the Board;
    c. recommend to the Board committee assignments;
    d. review and recommend board compensation;
    e. review and determine board independence;
    f. provide continuing education opportunities for directors;
    g. develop and recommend to the Board a set of corporate governance principles applicable to the Company and desirable changes as appropriate;
    h. provide oversight regarding conflicts of interest;
    i. oversee the Board Lead Director position description; and
    j. oversee the evaluation of the Board and Committees.

B. STRUCTURE AND OPERATIONS

1. The Committee shall consist of independent directors appointed by the Board upon the recommendation of the Committee. All members of the Committee shall be free of any relationships that would interfere with their exercise of independent judgment and shall meet the membership requirements established by the New York Stock Exchange ("NYSE"). The Committee shall annually elect one of its members to be the Chair.

2. The Committee shall meet as often as it deems appropriate, but not less frequently than three times a year.

3. The Committee has the authority to initiate and supervise investigations into any matters within the scope of its authority and responsibilities, and is authorized to retain the services and evaluate performance of internal or outside legal, accounting and other advisors, as it deems necessary in the fulfillment of its duties.

4. The Committee shall have sole authority to retain and terminate any search firm to be used to identify director candidates and to approve the consulting/search firm's fees and other retention terms. The Committee and its designees shall have unlimited accessibility to all the Company's records, property, and employees.

5. Prior to selecting a compensation consultant, the Committee shall assess the independence of such consultant taking into account such factors as required by the NYSE, the Securities and Exchange Commission ("SEC"), and applicable law and such other factors as the Committee determines relevant. At least annually, the Committee shall review any compensation consultant who has

performed services for the Committee to determine whether the provision of such services has given rise to an actual conflict of interest taking into account such factors as required by the SEC and applicable law and such other factors as the Committee determines relevant.

6. The Committee shall have sufficient funding to carry out its duties, including funding for payment of compensation to search firms used to identify director candidates; payment for any advisors used by the Committee; payment to compensate consulting firms; and payment of ordinary administrative expenses necessary and appropriate in carrying out its duties.

7. The Committee may delegate specific responsibilities to a subcommittee of one or more of its members provided that the subcommittee shall keep the full Committee informed of its activities.

8. The Committee shall conduct an annual evaluation of its performance and shall submit an annual report to the Board regarding the evaluation and confirming that all responsibilities described in this Charter have been fulfilled.

9. The Committee Chair shall schedule meetings and, in consultation with management and with other Committee members, establish meeting agendas.

10. The Committee may take action by unanimous written consent.

C. DUTIES AND OTHER RESPONSIBILITIES

1. The Committee shall develop candidate qualifications for Board membership. General qualifications for Board membership shall be included in the corporate governance principles recommended by the Committee and approved by the Board.

2. The Committee shall recommend to the Board nominees to fill Board vacancies.

3. The Committee shall recommend to the Board the composition, the optimum size of the Board, and organization of the Board, including committee assignments. The Committee shall recommend nominees for committee chairs.

4. The Committee shall recommend board compensation levels and stock ownership guidelines, and shall review director stock ownership on an annual basis, in compliance with the director stock ownership guidelines.

5. The Committee shall develop and recommend to the Board standards for determining director independence consistent with the requirements of the NYSE and other applicable laws or regulations, and recommend the affirmation of Director independence to the Board as appropriate. The Committee shall review and assess these standards on a periodic ongoing basis.

6. The Committee shall review any proposed amendments to the Company's Articles of Incorporation and Bylaws and recommend appropriate action to the Board.

7. The Committee shall review Board practices, which influence the effectiveness of the Board, including conflict of interest and Board effectiveness evaluations. The Committee shall develop and recommend evaluation processes for use by the committees of the Board in conducting their annual self-evaluations.

8. The Committee shall recommend criteria for a continuing education program for directors and provide information on corporate board and utility industry education programs.

9. The Committee shall have responsibility regarding conflicts of interest, and shall develop and circulate to the directors and officers a questionnaire that includes an assessment of conflict of

interest to be completed annually. If an actual or potential conflict of interest arises for a director, the Committee shall address the matter with the director and promptly inform the CEO and the Board. If a significant conflict exists and cannot be resolved, the Committee shall seek the director's resignation. Any conflict of interest issue involving the CEO shall be referred to the Board for resolution. Any conflict of interest issue involving any other officer of the Company shall be referred to the CEO for resolution with the requirement that the CEO report to the Committee how the matter was resolved.

10. The Committee shall have authority to consider requests for waivers for a director or senior officer of the Company's Principles of Business Conduct. There shall be a strong presumption against providing any waivers. Any waivers granted must be accompanied by terms and conditions sufficient to protect the Company under the circumstances. Any waiver of the principles for any director or senior officer shall be referred to the full Board for final approval and if granted, shall promptly be disclosed to shareholders.

11. The Committee shall have the responsibility to review the material facts of any related party transaction and approve such transaction in accordance with the Policy and Procedure Governing Related Party Transactions.

12. The Committee shall review this Charter at least annually and recommend any appropriate changes to the Board for approval.