
BYLAWS OF THE ELECTRIC POWER SUPPLY ASSOCIATION

ARTICLE I

NAME AND OFFICE

Section 1. Name

The Electric Power Supply Association (EPSA) is a corporation incorporated and existing under the laws of the District of Columbia.

Section 2. Principal Office

The principal office of the Corporation shall be located in the District of Columbia. The Corporation may have such other offices as the Board of Directors may determine or as the affairs of the Corporation may require.

Section 3. Registered Office

The Corporation shall have and continuously maintain in the District of Columbia a registered office and a registered agent whose office is identical with such registered office as required by the District of Columbia Non-Profit Corporation Act. The address of the registered office and the registered agent may be changed from time to time by the Board of Directors.

ARTICLE II

PURPOSES

The purposes for which the Corporation is organized are to promote a favorable market environment for the competitive electric industry, to support the development of state and federal legislative and regulatory policies that encourage energy efficiency and the development and implementation of a competitive market for electricity, to improve the public awareness of the competitive electric industry, to provide Members with information about legislation and regulatory policies of interest to them, to participate in state issues through education, information dissemination and selective intervention as required, to advocate policies in all pertinent national forums to advance the interest of its Members, and to engage in all lawful activities in furtherance of the foregoing purposes.

ARTICLE III**MEMBERSHIP****Section 1. Classes of Members**

There shall be four classes of membership in the EPSA: Board Members; Associate Members; Supporting Members; and State & Regional Partners.

a) Board Members

Any company or entity that is directly involved in the production, sale or supply, of competitive electric power is eligible for membership as a Board Member of EPSA.

Each Board Member is eligible to appoint one Director to serve on the Board of Directors. In addition, each Board Member may designate one or more company representatives to attend all membership meetings and receive all written communications. Each Board Member is entitled to one vote at all general and special membership meetings and all meetings of the EPSA Board of Directors.

b) Associate Members

Any company or entity that is directly involved in the production, sale or supply of competitive electric power is eligible for Associate membership in EPSA, provided that the company (a) has equity ownership in under 350 MWs of competitive generation assets operating and under construction in the U.S., or (b) if they own no generation assets, sell less than a total of 10 million MWHs on an annual basis under a FERC approved market-based tariff and as a state approved energy services provider (or the equivalent). Companies meeting these requirements, but whose equity ownership and annual sales exceed the above criteria, may join EPSA as Associate Members for no more than two years, at which point Board level membership will be required.

Associate Members are entitled to elect one representative to the Board of Directors for each five, or fraction thereof, Associate Members. In addition, each Associate Member may designate one company representative to attend all membership meetings and receive all written communications. Each Associate Member elected to represent the class of Associate Members is entitled to one vote at all general and special membership meetings and all meetings of the EPSA Board of Directors. All other Associate Members are not entitled to vote at general or special membership meetings or meetings of the EPSA Board of Directors.

c) Supporting Members

Any company or entity primarily involved in supporting the competitive electric power industry, and not primarily involved in the generation of electricity or the marketing of power, and who supports the purposes of the Association, is eligible for Supporting membership. Supporting Members are entitled to elect one representative to the Board of Directors for each fifteen or fraction thereof, Supporting Members. In addition, each Supporting Member may designate one representative to attend all membership meetings and receive all written communications. Each Supporting Member elected to represent the class of Supporting Members is entitled to one vote at all general and special membership meetings and all meetings of the EPSA Board

of Directors. Such elected representative may vote on all non-dues and non-budget matters. In addition, such elected representative may vote on the dues level for his or her membership class. All other Supporting Members are not entitled to vote at general or special membership meetings or meetings of the EPSA Board of Directors.

d) State & Regional Partners

Any state or regional independent power association is eligible for State & Regional Partner Membership in EPSA. State & Regional Partners are entitled to elect one representative to the Board of Directors for this entire class of membership. In addition, each State & Regional Partner may designate one representative to attend all membership meetings and receive all written communications. The State & Regional Partner elected to represent the class of State & Regional Partners is entitled to one vote at all general and special membership meetings and all meetings of the EPSA Board of Directors. Such elected representative may vote on all non-dues and non-budget matters. In addition, such elected representative may vote on the dues level for his or her membership class. All other State & Regional Partners are not entitled to vote at general or special membership meetings or meetings of the EPSA Board of Directors.

Section 2. Qualifications for Membership

Upon approval of the Board of Directors or the Executive Committee, companies meeting membership requirements shall be deemed Members of EPSA provided:

- a) All classes of Members must pay dues, in amounts determined by the Board of Directors.
- b) All classes of Members must subscribe to the Association Bylaws.
- c) All Board level members (i) shall comply with the then currently effective Code of Ethics and Sound Trading Practices for Electric Power Suppliers and (ii) must submit an annual written certification by a senior officer that "the company intends to comply with the Code of Ethics and has in place internal policies with procedures reasonably designed to assure compliance." Such certification must be submitted to EPSA no later than January 31 of the calendar year in effect.

Section 3. Dues

The dues for each class of membership may be established by the Board of Directors from time to time as the Board determines is appropriate.

Section 4. Resignation and Expulsion

- a) Any Member may resign by filing a written resignation with the Board of Directors; however, resignation does not relieve a Member from liability for dues or other charges accrued and unpaid as of the date of resignation.
- b) Any Member may be expelled for adequate reason by a two-thirds (2/3) vote of the Board of Directors. Failure to pay dues or to meet the criteria for membership is presumed to be adequate reason for expulsion. In addition, a finding by a federal agency that a member has knowingly violated one or more laws or regulations, resulting in a violation of one or more of the provisions in the currently effective Code of Ethics and Sound Trading Practices, is presumed to be an

adequate reason for expulsion. Any member expelled due to a violation of the Code of Ethics and Sound Trading Practices forfeits the dues paid for that year.

Section 5. Membership Book

The Secretary shall cause to be maintained a membership book, either in written form or in any form capable of being converted into written form, which shall constitute the official list of all Members of the EPSA. Any Member in good standing shall be entitled to inspect the membership book upon reasonable notice being given to the Secretary.

ARTICLE IV

MEETING OF MEMBERS

Section 1. Meetings

There shall be an annual meeting of the Members which shall be held in each year at a time and place to be designated by the Board of Directors. At such annual meeting the membership shall transact such business of the EPSA as may properly come before the membership. The annual meeting may be postponed by vote of the Board of Directors.

Special meetings of the Members may be called by the Chair, Secretary or President. Special meetings of the Members may be held by telephone conference call or video conference.

Section 2. Notice of Meetings

Written notice stating the place, day and hour of the meeting shall be given not less than ten (10) days before the date of the meeting, either personally, by mail, fax or electronic mail to each Member entitled to vote at such meeting. If mailed, notice shall be deemed to be given when deposited in the United States mail, addressed to the Member at his or her address as it appears on the membership list maintained by the Secretary of the EPSA with postage thereon prepaid.

Section 3. Quorum

The presence, either in person or by telephone or video conference call, of at least fifty percent (50%) of the total number of Members eligible to vote shall constitute a quorum for transaction of business at all meetings of Members. If less than a majority of the Members are represented at a meeting, a majority of the Members so represented may adjourn the meeting, from time to time, without further notice. At any reconvened session of such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 4. Manner of Acting

The affirmative vote of the majority of the Members represented, either in person or by telephone or video conference call, at a meeting and entitled to vote on the subject matter shall be the act of the membership. At the discretion of the Board of Directors or the Executive Committee, voting on all matters, including, if applicable, the election of directors, may be conducted by mail.

Section 5. Informal Action by the Membership

Unless otherwise provided by law, any action required to be taken at a meeting of the membership or any other action which may be taken at a meeting of the membership may be taken without a meeting if a consent in writing, which sets forth the action so taken, shall be signed by all of the membership entitled to vote with respect to the subject matter thereof.

ARTICLE V

DIRECTORS

Section 1. Powers and Duties

The affairs of the EPSA shall be governed by the Board of Directors (the Board). The Board shall have the powers and duties necessary for the administration of the affairs of the EPSA, and may do all such acts and things as are not by law or by these bylaws directed to be exercised and done by the Members.

Section 2. Election and Term of Office

The Board of Directors shall consist of four classes of Directors, but in no event shall there be less than three Directors. No decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director. The Directors shall have equal rights and privileges except as otherwise specified in these bylaws.

The first class of Directors shall consist of the appointed representatives of the Board Members. Each Board Member shall have the right to appoint one Director, who shall serve at the pleasure of the Board Member appointing him or her and who may not be removed by any other Member or group of Members.

The second class of Directors shall be elected annually by the Associate Members. This class of Directors shall consist of one Director elected for each five, or fraction thereof, Associate Members. Each Director shall serve until the election of his or her duly qualified successor, unless sooner removed by appropriate action or resignation by the Director.

A third class of Directors shall be elected annually by the Supporting Members. This class of Directors shall consist of one Director elected for each fifteen or fraction thereof, Supporting Members. Each Director shall serve until the election of his or her duly qualified successor, unless sooner removed by appropriate action or resignation by the Director.

A fourth class of Directors shall be elected annually by the State & Regional Partners. This class of Directors shall consist of one Director only. This Director shall serve until the election of his or her duly qualified successor, unless sooner removed by appropriate action or resignation by the Director.

Section 3. Vacancies

Any vacancy of a Director appointed by a Board Member shall be filled by the unrepresented Board Member. Any vacancy of a Director elected by the Associate Members, Supporting Members or State and Regional Partners may be filled by the

affirmative vote of the majority of the remaining Members in each such class, even though they may constitute less than a quorum.

Section 4. Meetings

A regular meeting of the Board of Directors shall be held, without other notice than that contained in these bylaws, in conjunction with and at the same place as the annual meetings of the Members. The Board of Directors may establish the time and place for the holding of additional regular or special meetings. Special meetings may be called by the Chair, the Secretary or the President. Special meetings may be held by telephone or video conference.

Section 5. Notice

Notice of any regular or special meeting shall be given to each Director by written notice delivered personally, by overnight delivery service, by postage paid or electronic mail, by telephone or by fax. If mailed, such notice shall be given at least seven (7) days prior to the date of such a meeting and shall be deemed to be given when deposited in the United States mail so addressed, with postage thereon prepaid. If notice is given by person, by overnight delivery service, by telephone, by electronic mail or fax it shall be given at least 48 hours prior to the time set for such meeting and be given either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate such notice promptly to the Director. Any Director may waive notice of any meeting at any time. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purposes of objecting to the transaction of any business because the meeting has not be lawfully called or convened.

Section 6. Voting and Quorum

At each meeting of the Board of Directors, a majority of the number of Board and Associate Member Directors being present, either in person or by telephone or video conference call, shall constitute a quorum for the transaction of business, but if less than such a majority of Board and Associate Member Directors is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 7. Manner of Acting

The act of the majority of the Directors present or represented at a meeting at which a quorum is present shall be the act of the Board of Directors. Written consent to any action by a majority of the Directors shall constitute official action of the Board of Directors.

Section 8. Informal Action by Directors

Unless otherwise provided by law, any action required to be taken at a meeting of the Board of Directors, or any other action which may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, which sets forth the action so taken, shall be signed by all of the Board and Associate Member Directors entitled to vote.

Section 9. Presumption of Assent

A Director who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the Chair or Secretary immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 10. Resignation of Directors

Any Director may resign his or her office at any time. Such resignation must be made in writing to the Board of Directors at the address of the EPSA and shall take effect as provided in such writing or upon receipt if no effective date is provided. The failure of a Member to pay dues when due may be considered by the Board of Directors as a resignation of the Director representing that Member.

Section 11. Removal of Directors

At a meeting called expressly for the purpose of removing one or more Directors elected by the Associate Members, the Supporting Members, or the State & Regional Partners, any Directors so elected may be removed with or without cause, by a vote of the majority of the Associate Members, Supporting Members, or State & Regional Partners, respectively, entitled to vote at an election of Directors. No Director appointed by a Board Member may be removed by any Member or group of Members other than the Board Member who appointed that Director.

ARTICLE VI

OFFICERS

Section 1. Designation

The officers of the EPSA shall be a Chair, a First Vice Chair, a Second Vice Chair, a Treasurer, a Secretary and a President. No two offices shall be held by the same person.

Section 2. Election and Term of Office

Except for the President, the officers of the EPSA shall be elected annually by the Board of Directors from among the Board of Directors and shall serve for one year terms. Each such officer shall hold his or her office only as long as he or she remains a Director. The President shall be appointed by the Board of Directors and shall serve at the pleasure of the Board of Directors.

Section 3. Vacancies

A vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term.

Section 4. Resignation or Removal of Officers

An officer may resign his or her office at any time. Such resignation must be made in writing to the Board of Directors at the address of the EPSA and shall take effect as provided in such writing or upon receipt if no effective date is provided.

Any officer elected by the Board of Directors may be removed with or without cause by the Board of Directors whenever, in its judgment, the best interests of the EPSA would be served.

ARTICLE VII

DUTIES OF OFFICERS

Section 1. Chair

The Chair shall be the chief elected officer of the EPSA. The Chair shall supervise and control all of the business and affairs of the EPSA subject to the oversight of the Board of Directors. He or she shall have all the general powers and duties which are usually vested in the office of the Chair of a corporation including, but not limited to, making contracts, presiding over meetings and appointing the Chairs of Committees, with the approval of the Executive Committee. The Chair may delegate such powers as he or she deems necessary to the President.

Section 2. First Vice Chair

The First Vice Chair shall perform the functions of the Chair in the case of the absence or disability of the Chair, for so long as such absence or disability continues. The First Vice Chair shall have such powers and duties as may, from time to time, be conferred by the Board of Directors or delegated by the Chair.

Section 3. Second Vice Chair

The Second Vice Chair shall perform the functions of the First Vice Chair in the case of the absence or disability of the First Vice Chair, for so long as such absence or disability continues. The Second Vice Chair shall have such powers and duties as may, from time to time, be conferred by the Board of Directors or delegated by the Chair.

Section 4. Secretary

The Secretary shall:

- a) keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Members of the EPSA;
- b) see that all notices are duly given in accordance with these bylaws or as required by law;
- c) see that the corporate records, including membership records, are correctly maintained and that the execution of the official corporate seal is duly authorized; and

- d) perform such other duties as, from time to time, may be assigned to him or her by the Chair or Board of Directors.

Section 5. Treasurer

The Treasurer shall:

- a) oversee the accurate keeping of the financial books of the EPSA, which books shall be available for inspection by any Director upon reasonable notice;
- b) be responsible for the safekeeping of all funds, assets and securities of the EPSA;
- c) oversee the expenditure of the funds of the EPSA to determine that such expenditure has been made in accordance with the direction of the Board of Directors and
- d) develop with the Chair and the President, yearly budget proposals and financial plans.

Section 6. President

The President shall be chief staff officer of the EPSA, and shall report to the Chair and be subject to the supervision of the Board of Directors. The President shall have all powers and duties necessary for managing the day-to-day operating and business affairs of the EPSA and directing all activities of the EPSA as prescribed by the Board of Directors.

ARTICLE VIII

EXECUTIVE COMMITTEE

Section 1. Designation

There shall be an Executive Committee, which shall consist of the Officers of the EPSA, other than the President, and at least one and as many as five other Director elected by the Board of Directors for a one year term. The President shall serve as an ex officio Member of the Executive Committee, without voting rights. The Chair may appoint a Director other than an Officer to serve on the Executive Committee for the remaining balance of the year if there is a vacancy

Section 2. Powers and Duties

The Executive Committee shall be empowered to act on behalf of the Board of Directors. The Executive Committee shall develop budgets and program plans for approval by the Board of Directors, approve the appointments of Committee Chairs by the Chair and have such other authority as may be granted from time to time by the Board of Directors. Actions taken by the Executive Committee shall be deemed to be approved by the Board of Directors unless specific objection to such actions is forwarded in writing to the Board of Directors by any Director prior to the conclusion of the next Board of Directors meeting following any such action.

ARTICLE IX

INDEMNIFICATION

The EPSA shall indemnify Officers and Directors to the extent permitted under the law.

ARTICLE X

AMENDMENTS

These bylaws may be amended by a majority vote of the Board of Directors at any regular or special meeting. Notice of proposed bylaw changes must be included in the notice of the Board Meeting at which such amendments are to be considered.

ARTICLE XI

DISSOLUTION

The Electric Power Supply Association shall use its funds only to accomplish the objectives and purposes specified in these Bylaws and no part of said funds shall inure, or be distributed, to the Members of the Association. On dissolution of the Association, any funds remaining after the payment of all debts and satisfaction of all obligations shall be distributed to one or more organizations with purposes consistent with the Association to be selected by the Board of Directors.