

NORTH AMERICAN ENERGY STANDARDS BOARD

BYLAWS ADDENDUM

EXHIBIT 4-B

RETAIL ELECTRIC QUADRANT **END-USER** SEGMENT PROCEDURES

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Section 1 Definitions

All capitalized terms shall have the same definitions as specified in the Bylaws of NAESB, Certificate of Incorporation of NAESB or in the Retail Electric Quadrant (REQ) Procedures.

Section 2 Purpose, Scope, Principles and Policies

2.1 Purpose & Scope

A. Purpose

To contribute to the proposal, evaluation, and adoption of voluntary standards and Model Business Practices as described in the REQ Procedures from the perspective of the End-User Segment membership.

B. Scope

The End-User Segment of the REQ is to address issues and practices as described in the REQ Procedures from the perspective of the End-User Segment membership.

2.2 See the NAESB Bylaws and REQ quadrant procedures.

2.3 Membership Requirements

A. Segment Description

The End-User Segment of the Retail Electric Quadrant of the North American Energy Standards Board (“NAESB”) is one of four (4) co-equal segments comprising the retail electric market. The End-User Segment membership is comprised of persons that consume electricity or who represent consumers of electricity.

B. End-User Segment Membership Requirements

Membership in the End-User Segment of the Retail Electric Quadrant of the NAESB shall be open to any person that meets the following requirements:

1. The person meets the general membership criteria set forth in the Bylaws (Article 5), the Certificate of Incorporation (Article IV, Sections 1 and 2), and the REQ Procedures (Section 2.3).
2. The person has declared membership in the REQ End-

User Segment and has paid the applicable NAESB dues.

3. A trade association may join the End-User Segment as a Voting Member; provided the members of the trade association are under-represented in the End-User Segment. Only the End-User Segment Membership may determine if a trade association's members are under-represented as Voting Members in the End-User Segment.

Sections 3 – 5 See the NAESB Bylaws and REQ quadrant procedures.

Section 6 End-User Segment Meetings

- A. All meetings held in association with the End-User Segment of REQ are open to any interested company or organization. Only REQ End-User Segment Members, however, shall have a right to vote at such meetings.
- B. Meeting Minutes of all End-User Segment meetings, including voting results, are to be reported by the End-User Chair, the End-User Vice-Chair, or the End-User Secretary (see Section 8 for definitions), at the End-User Chair's discretion, to the NAESB Office for publication within 15 days of the date of the meeting.

Section 7 Board

7.1 Representation

The End-User Segment of the REQ shall be represented on the REQ Board and shall conduct elections of End-User Segment Members, as necessary, to fill expiring or vacant REQ Board seats.

7.2 Qualification of Directors

To be eligible to serve as a End-User Segment representative on the NAESB Board of Directors, the individual must meet the requirements of Section 7.2 of the REQ Procedures.

7.3 Number and Election of Directors

A. Number of Directors

Four (4) persons who are individual End-User Segment Members will represent the End-User Segment on the REQ Board of Directors. At the completion of each election at least one End-User Segment Director shall be a person that represents the interests of retail residential consumers and at least one End-User Segment Director shall be a person that represents the interests of non-residential consumers. The retail residential consumer Director requirement or the retail non-residential consumer Director requirement shall not apply if such persons are not nominated for election. Further, at the completion of each election no more than one (1) person representing a NAESB Member paying "Promotional Dues" shall serve on the Board of Directors from the REQ End-User Segment. The election requirements of this subsection shall not be the basis for removal of a Director under REQ Procedures Section 7.6.

B. Election of Directors

1. The End-User Segment of the REQ shall elect individuals to serve on the Board as required by Article 7 of the NAESB Bylaws and Section 7.3 B. of the REQ Procedures.
2. The election process for REQ End-User Segment Directors shall be:
 - a. coordinated by the REQ End-User Segment Vice-Chair with appropriate coordination with the NAESB Office, and
 - b. announced by notice posted on the NAESB web site no less than 15 days prior to the date of the election, with such notice indicating the name and affiliation of all candidates.
3. Elections for REQ End-User Segment Directors shall be subject to the following provisions:
 - a. Any End-User Segment Member of the REQ with dues current is eligible to have one duly authorized representative cast the Member's vote;

- b. End-User Segment Members shall cast votes for candidates in a number not exceeding the number of Director seats open for election by the End-User Segment;
- c. The candidates receiving the greatest numbers of votes shall be elected; provided the End-User Segment Directors serving on the Board at the end of each election includes (1) at least one End-User Segment Director representing the interests of retail residential consumers, including advocacy organizations or retail consumer groups and (2) at least one End-User Segment Director representing the interest of retail non-residential consumers. The retail residential consumer Director requirement and the retail non-residential consumer Director requirement shall not apply if such persons are not nominated for election. Further, at the completion of each election no more than one (1) person representing a NAESB Member paying “Promotional Dues” shall serve on the Board of Directors from the REQ End-User Segment. The election requirements of this subsection shall not be the basis for removal of a Director under REQ Procedures Section 7.6;
- d. Results of the elections for the REQ Directors, including the returned ballots, shall be forwarded to the NAESB Office, for the purpose of public record and validation of voting results, upon conclusion of any election.

7.4 Term of Office

Each Director from the End-User Segment of the REQ shall serve a term of two years on the NAESB Board, as described in the REQ Procedures, and except as provided for in Section 19.1 of this procedure.

Section 8 REQ End-User Segment Officers

The End-User Segment Members shall elect Voting Members of the End-User Segment for applicable End-User Segment administrative and governance positions. End-User Segment Officers may also hold Board or EC seats.

8.1 End-User Segment Chair

The End-User Segment Chair will preside over all meetings of the general End-User Segment Membership separate from meetings of the REQ.

8.2 End-User Segment Vice Chair

The End-User Segment Vice-Chair will assist the End-User Segment Chair in presiding over all meetings of the general End-User Segment. The Vice-Chair will organize and conduct all End-User Segment elections once the End-User Segment has commenced operation.

8.3 End-User Segment Secretary

In the event the NAESB Office is unable to take meeting minutes and record votes, the End-User Segment Chair will appoint a Secretary of the meeting.

8.4 Term of Office & Succession

The term of office of the End-User Segment Chair is one year concurrent with the operating year of NAESB. The End-User Segment Chair will be succeeded in the following year by the End-User Segment Vice-Chair, with a new End-User Segment Vice-Chair elected to fill the vacant End-User Segment Vice-Chair position.

Section 9 See the NAESB Bylaws.

Section 10 Executive Committee (EC)

10.1 Duties and Responsibilities Within Segment EC

The End-User Segment of the REQ shall be represented on the REQ EC and shall conduct elections of End-User Segment Members, as necessary, to fill expiring and vacant REQ EC seats.

10.2 Qualifications

To be eligible to serve as a End-User Segment representative on the EC, the individual must meet the requirements of Section 10.2 of the REQ Procedures.

10.3 Number and Election of EC Members

A. Number of EC Members

Four (4) persons who are individual End-User Segment Members will represent the End-User Segment on the REQ EC. At the completion of each election at least one End-User Segment EC Member shall be a person that represents the interests of retail residential consumers and at least one End-User Segment EC Member shall be a person that represents the interests of non-residential consumers. The retail residential consumer EC Member requirement or the retail non-residential consumer EC Member requirement shall not apply if such persons are not nominated for election. Further, at the completion of each election no more than one (1) person representing a NAESB Member paying "Promotional Dues" shall serve on the REQ EC from the REQ End-User Segment. The election requirements of this subsection shall not be the basis for removal of an EC Member under REQ Procedures Section 10.6.

B. Election of EC Members

1. The End-User Segment of the REQ shall be represented on the NAESB EC by individuals who shall be elected, as required by Article 10 of the NAESB Bylaws and Section 10.3 B. of the REQ Procedures.
2. The election process for REQ End-User Segment representatives to the REQ EC shall be
 - a. coordinated by the End-User Segment Vice-Chair with appropriate coordination with the NAESB Office, and
 - b. announced by notice posted on the NAESB web site no less than 15 days prior to the date of the election, with such notice indicating the name and affiliation of all candidates.
3. Elections for REQ End-User Segment EC members shall be subject to the following provisions:
 - a. Any End-User Segment Member of the REQ with dues current is eligible to have one duly

authorized representative cast the Member's vote;

- b. End-User Segment Members shall cast votes for candidates in a number not exceeding the number of EC seats open for election by the End-User Segment;
- c. The candidates receiving the greatest numbers of votes shall be elected; provided the End-User Segment EC Members serving on the EC at the end of each election includes (1) at least one End-User Segment EC Member representing the interests of retail residential consumers, including advocacy organizations or retail consumer groups and (2) at least one End-User Segment EC Member representing the interest of retail non-residential consumers. The retail residential consumer EC Member requirement and the retail non-residential consumer EC Member requirement shall not apply if such persons are not nominated for election. Further, at the completion of each election no more than one (1) person representing a NAESB Member paying "Promotional Dues" shall serve on the REQ EC from the REQ End-User Segment. The election requirements of this subsection shall not be the basis for removal of an EC Member under REQ Procedures Section 10.6.;
- d. Results of the elections for the REQ EC, including the returned ballots, shall be forwarded to the NAESB Office, for the purpose of public record and validation of voting results, upon conclusion of any election;

10.4 Term of Office

Each EC Member from the End-User Segment of the REQ shall serve a term of two years on the REQ EC, as described in the REQ Procedures, and except as provided for in Section 19.2 of this procedure.

10.5 – 10.6 See the NAESB Bylaws and REQ quadrant procedures.

10.7 End-User Segment Designated Alternates

- A. The End-User Segment will select no more than four (4), and no less than one (1), End-User Segment Designated Alternate EC representative(s) in each election year, allowing for up to four (4) End-User Segment Designated Alternates.
- B. End-User Segment Designated Alternates will be selected by the same election that determines End-User Segment EC members, with those unsuccessful End-User Segment EC member candidate(s) receiving the greatest number of votes becoming a End-User Segment Designated Alternate in the event that there already are or are expected to be less than four End-User Segment Designated Alternates from the End-User Segment in the coming year.
- C. The first, second, third, and fourth End-User Segment Designated Alternate will be determined by the order of voting results of the most recent End-User Segment EC election.

Sections 11 – 17 See the NAESB Bylaws and REQ quadrant procedures.

Section 18 Amendments

In order for these End-User Segment Procedures to be amended, upon petition of at least three (3) End-User Segment Members, the Vice Chair of the End-User Segment shall announce an End-User Segment meeting. Such announcement shall provide for at least a 30-day notice. In order to transact business at the End-User Segment meeting, there shall be a quorum consisting of at least 33% of the End-User Segment Membership. Following such meeting, the proposed resolution adopted at the meeting shall be sent out for comment, and the comments shall be distributed to all End-User Segment Members in advance of a notational vote. Any End-User Segment Member not choosing to vote shall be considered to have voted in favor of the proposed resolution. In

order for a proposed resolution to take effect, it must be approved by at least 67% majority of End-User Segment Membership.

Section 19 Transitional Procedures

19.1 Initial Election of End-User Segment Directors

- A. The initial End-User Segment Directors shall be elected at the first meeting of the End-User Segment.
- B. The candidates receiving the greatest number of votes shall be elected; provided the End-User Segment Director serving on the Board at the end of each election includes (1) at least one End-User Segment Director representing the interests of retail residential consumers, including advocacy organizations or retail consumer groups and (2) at least one End-User Segment Director representing the interest of retail non-residential consumers. The retail residential consumer Director requirement and the retail non-residential consumer Director requirement shall not apply if such persons are not nominated for election. Further, at the completion of each election no more than one (1) person representing a NAESB Member paying “Promotional Dues” shall serve on the Board of Directors from the REQ End-User Segment. The election requirements of this subsection shall not be the basis for removal of a Director under REQ Procedures Section 7.6.
- C. The initial End-User Segment Directors receiving the greatest number of votes shall serve in vacant positions having the longest term.

19.2 Initial Election of End-User Segment EC Members

- A. The initial End-User Segment EC Members shall be elected at the first meeting of the Segment.
- B. The candidates receiving the greatest number of votes shall be elected; provided the End-User Segment EC Members serving on the EC at the end of each election includes (1) at least one End-User Segment EC Member representing the interests of retail residential consumers, including advocacy organizations or retail

consumer groups and (2) at least one End-User Segment EC Member representing the interest of retail non-residential consumers. The retail residential consumer EC Member requirement and the retail non-residential consumer EC Member requirement shall not apply if such persons are not nominated for election. Further, at the completion of each election no more than one (1) person representing a NAESB Member paying “Promotional Dues” shall serve on the EC from the REQ End-User Segment. The election requirements of this subsection shall not be the basis for removal of an EC Member under REQ Procedures Section 10.6.

- C. The initial End-User Segment EC Members receiving the greatest number of votes shall serve in vacant positions having the longest terms.