

**BYLAWS  
OF**

**WSPP Inc.**

**A Utah Nonprofit Corporation**

**ARTICLE 1  
NAME AND PURPOSE**

**1.1. NAME.** The name of the Corporation is WSPP Inc.

**1.2. PURPOSE.** The purposes of the Corporation are to: (1) perform all duties and functions of WSPP Inc. as provided in the WSPP Agreement, including receipt of revenues paid to the Corporation under the WSPP Agreement and payment by the Corporation of amounts necessary and appropriate thereunder and under these Bylaws in furtherance of such duties and functions; and (2) take any other actions as the Members of the Corporation may determine to be consistent with the purpose of the WSPP Agreement and related orders of the FERC.

**1.3. APPLICABLE LAW.** The Corporation is organized and exists under the Utah Revised Nonprofit Corporation Act, Utah Code Ann. § 16-16a-101 *et seq.*, and at all times shall maintain procedures and conduct its affairs consistent with that Act and other applicable law.

**1.4. DEFINITIONS AND RULES OF CONSTRUCTION.** These Bylaws are to be construed and applied to implement the provisions, intent, and purposes of the WSPP Agreement. The words “he” or “his” shall be construed to include “she” or “her”. The word “chairman” shall be construed to refer to the male or female occupant of the position. The following definitions shall apply:

**1.4.1. “Administrative Committee”** has the meaning stated in section 7.2.1 of these Bylaws.

**1.4.2. “Executive Committee”** has the meaning stated in section 8.1 of the WSPP Agreement and Article 4 of these Bylaws.

**1.4.3. “FERC”** means the Federal Energy Regulatory Commission or any successor agency thereto.

**1.4.4. “Member”** means a member of the Corporation in accordance with sections 3.2 and 3.3 of these Bylaws.

**1.4.5. “Officers”** means the officers of the Corporation, who are the Chairman, Vice Chairman, and Secretary/Treasurer of the Executive Committee.

**1.4.6. “Operating Committee”** has the meaning stated in section 8.2 of the WSPP Agreement and Article 5 of these Bylaws.

**1.4.7. “Party”** means an entity that is a party to the WSPP Agreement.

**1.4.7. “WSPP Agreement”** means the WSPP Agreement, as filed and approved by the FERC and any amendments or restatements thereof as filed with and approved by the FERC (herein “WSPP Agreement”).

## **ARTICLE 2 OFFICES OF THE CORPORATION**

**2.1. REGISTERED OFFICE.** The Corporation shall maintain a registered office and registered agent in Utah in accordance with applicable law, subject to change in the manner prescribed by law. The address of the registered agent shall be identical to the address of the registered office.

**2.2. OTHER OFFICES.** The Corporation may have such other offices and places of business within or without Utah as the Administrative Committee or Executive Committee shall determine.

## **ARTICLE 3 MEMBERS**

**3.1. ONE CLASS OF MEMBERS.** The Corporation shall have one class of Members.

**3.2. QUALIFICATIONS OF MEMBERS.** Any entity that is or becomes a Party to the WSPP Agreement is a Member of the Corporation. Entities that were Parties on December 28, 1995 (the organization date of the Corporation) are deemed to have satisfied all prerequisites for membership and to be Members. An entity that becomes a Party after December 28, 1995, becomes a Member of the Corporation in accordance with section 16 of the WSPP Agreement, provided the entity satisfies the requirements of section 16.1 of the

WSPP Agreement. Membership in the Corporation shall be coterminous with the period during which a Member is a Party.

**3.3. LEGAL PRECLUSION OF MEMBERSHIP.** In the event a Party determines that any statute or regulation precludes it from being a Member of the Corporation, such Party may give Notice to the Chairman of the Executive Committee of its determination, including an explanation of the legal basis for the preclusion. Such Notice shall not relieve the Party from its obligations under section 16.1 of the WSPP Agreement, including but not limited to payment of costs pursuant to section 16.4. Notwithstanding such Notice, the Party may designate representatives and alternates, in the manner required under section 8.5 of the WSPP Agreement and section 11.1.1. of these Bylaws, to represent its interests on the Executive Committee and Operating Committee, and otherwise may participate in the activities and affairs of the Corporation as though it were a Member, except as may be precluded by applicable law.

**3.4. MEETINGS OF MEMBERS.** Inasmuch as all Members are represented on the Executive Committee, meetings of the Executive Committee shall be meetings of the Members (see Article 4 of these Bylaws).

**3.5. PROVISION OF CONTACT INFORMATION.** Each Member shall assure that the names of its representatives and alternates, and e-mail, fax, and other contact information therefor, are specified on the Corporation's publicly accessible internet site at [www.wspp.org](http://www.wspp.org) or successor site.

**3.6. DUES AND OTHER CHARGES.** No dues or other charges shall be assessed upon Members except upon the approval of the Executive Committee. The "one time fee of \$25,000" referred to in section 16.4 of the WSPP Agreement shall be paid to the Corporation and shall be applied solely in the manner and for the purposes stated in the WSPP Agreement.

## **ARTICLE 4 EXECUTIVE COMMITTEE/BOARD OF DIRECTORS**

**4.1. REPRESENTATIVES OF MEMBERS.** In accordance with section 8.1 of the WSPP Agreement, there shall be an Executive Committee of the Members. Each Member shall designate a representative to be a member of the Executive Committee and an alternate representative to serve in the absence of its representative. Designation shall be made as required under section 8.5 of the WSPP Agreement and section 11.1.1 of these Bylaws. A Member's representative, and in the absence thereof the alternate, shall serve as

the Member's representative on the Executive Committee under section 8.1 of the WSPP Agreement.

**4.2. EXECUTIVE COMMITTEE AS MEMBERS OF THE CORPORATION AND BOARD OF DIRECTORS OF THE CORPORATION.**

Inasmuch as the Executive Committee is comprised of representatives of all Members, each meeting of the Executive Committee is a meeting of the Members of the Corporation. The representatives of Members designated to serve on the Executive Committee (or the alternates), shall comprise the Board of Directors of the Corporation and each meeting of the Executive Committee is also a meeting of the Board of Directors. Actions of the Executive Committee are actions of the Members (see section 4.1 of these Bylaws) and the Board of Directors under applicable law, except that Parties which have declined membership in the corporation under section 3.3 of these Bylaws shall vote only on matters that are within the scope of responsibilities of the Executive Committee as set forth in section 8.1 of the WSPP Agreement.

**4.3. NUMBER OF EXECUTIVE COMMITTEE MEMBERS AND ELECTION.**

The number of members of the Executive Committee shall be equal to the number of Members. On January 1 of each year, each Member shall be deemed automatically to have cast its vote to elect as Directors of the Corporation all of the persons Members have designated as representatives to the Executive Committee, and to elect as alternate Directors of the Corporation all of the persons Members have designated as alternate representatives to the Executive Committee. Such representatives shall be deemed elected to serve for a term of one year except that, in the event a Member's designated Executive Committee representative or alternate ceases to serve in such capacity for any reason, the Member may substitute a representative or alternate and the substituted representative or alternate shall be deemed immediately elected to serve as a Director (or alternate) of the Corporation for the remainder of the one-year term.

**4.4. POWERS.** All powers and responsibilities of the Executive Committee as set forth in the WSPP Agreement, including but not limited to section 8.1 thereof, and the powers to manage all the property and affairs of the Corporation, shall be vested in the Executive Committee. The Executive Committee may exercise all of the powers of the Corporation and do all lawful acts and things, including but not limited to the adoption of such rules and regulations for the conduct of its meetings and the exercise of its powers, revisions to the WSPP Agreement, and management of the Corporation, as are consistent with the WSPP Agreement, the Articles of Incorporation, and these Bylaws.

**4.5. CHAIRMAN, VICE CHAIRMAN, AND SECRETARY/TREASURER.** There shall be a Chairman, Vice Chairman, and Secretary/Treasurer of the Executive Committee. The persons elected to such offices shall have the duties specified under the

WSPP Agreement and Article 7 of these Bylaws. Officers shall serve terms of two-years duration, which terms shall commence on January 1 of the year following the election and expire on December 31 of the subsequent year, provided that despite the expiration of an Officer's term, the Officer shall continue to serve until the Officer's successor is elected and commences to serve, and further provided that with or without cause, the Executive Committee may elect a substitute Officer prior to the expiration of a term. An Officer may serve more than one term. Elections of officers shall be conducted at annual meetings of the Executive Committee unless otherwise determined by the Chairman. An Officer may resign at any time by giving written Notice of resignation to the Corporation and the Administrative Committee may elect a successor to complete the term of the resigning Officer.

**4.6. MEETINGS.** There shall be annual meetings of the Executive Committee, which meetings customarily shall occur in November. The Chairman may call additional meetings in his discretion or otherwise in accordance with the WSPP Agreement. Meetings of the Executive Committee may be held at any location within or outside Utah.

**4.7. SUB-COMMITTEES.** The Executive Committee may establish standing or ad hoc sub-committees and appoint or elect members of the Executive Committee thereto, provided that such sub-committees shall make recommendations to the Executive Committee and shall not be authorized to take any action or exercise any power reserved to the Executive Committee. Each sub-committee may elect a chairman, vice chairman, and secretary as it deems appropriate.

## **ARTICLE 5 OPERATING COMMITTEE**

**5.1. OPERATING COMMITTEE.** In accordance with section 8.2 of the WSPP Agreement, there shall be an Operating Committee of the Members. Each Member shall designate a representative to be a member of the Operating Committee and an alternate representative to serve in the absence of its representative. Designation shall be made as required under section 8.5 of the WSPP Agreement and section 11.1.1. of these Bylaws. A Member's representative, and in the absence thereof the alternate, shall serve as the Member's representative on the Operating Committee under section 8.2 of the WSPP Agreement.

**5.2. OPERATING COMMITTEE OFFICERS.** The Operating Committee shall elect a Chairman of the Operating Committee, a Vice Chairman, and a Secretary. The Chairman of the Operating Committee shall preside over Operating Committee meetings and, together with the Secretary, cause Notice to be given of meetings. The Vice Chairman

of the Operating Committee shall serve in the absence of the Chairman and perform such other duties as the Operating Committee may assign. The Secretary of the Operating Committee, or his designee, shall record minutes of meetings and actions of the Operating Committee. Officers of the Operating Committee shall serve terms of two-years duration, which terms shall commence on January 1 of the year following the election and expire on December 31 of the subsequent year, provided, that despite the expiration of an Officer's term, the Officer shall continue to serve until the Officer's successor is elected and commences to serve, and further provided that with or without cause, the Operating Committee may elect a substitute Officer prior to the expiration of a term. An Officer may serve more than one term. Elections of Officers shall be conducted at regular meetings of the Operating Committee unless otherwise determined by the Chairman. An officer of the Operating Committee may resign at any time by giving written Notice of resignation to the Corporation and the Administrative Committee may elect a successor to complete the term of the resigning officer.

**5.3. POWERS.** The Operating Committee has those powers and responsibilities granted to it under the WSPP Agreement.

**5.4. MEETINGS.** The Operating Committee shall meet as necessary, as the Chairman may determine in his discretion or otherwise in accordance with the WSPP Agreement.

**5.5. SUB-COMMITTEES.** The Operating Committee may establish standing or ad hoc sub-committees and appoint or elect members of the Operating Committee thereto, provided that such sub-committees shall make recommendations to the Operating Committee and shall not be authorized to take any action or exercise any power reserved to the Operating Committee. Each sub-committee may elect a chairman, vice chairman, and secretary as it deems appropriate.

## **ARTICLE 6 VOTING PROCEDURES AND REQUIREMENTS FOR ACTION APPLICABLE TO EXECUTIVE COMMITTEE AND OPERATING COMMITTEE**

**6.1. VOTING.** Each Member may cast one vote through its designated representative or alternate. A representative designated to serve in that capacity by more than one Member is authorized to cast one vote on behalf of each member that made the designation. Except for votes cast by proxy, votes must be cast by representatives or alternates who are physically present at the meeting at which the vote is taken, unless the Notice of the meeting provides for an alternate means of attendance.

**6.2. PROXIES.** A Member may vote by proxy. To be effective, a proxy must be written, dated, and signed by the designated representative or alternate of the Member giving the proxy, and must be physically delivered, by hand, fax, or e-mailed PDF file or equivalent which contains a facsimile of the required signature, to an Officer of the Corporation, to an officer of the Operating Committee if applicable, or to another Member prior to the vote in which it is exercised. If a proxy is delivered to another Member, the representative of the Member holding the proxy shall timely inform the Officer presiding over the meeting of the proxy.

**6.3. QUORUM AND PERCENTAGE REQUIREMENTS FOR ACTION.** At any duly held meeting of the Executive Committee or Operating Committee, all Members present at the meeting through the physical presence of their representatives or alternates, by proxy, or by an alternate means of attendance stated in the Notice of the meeting, shall constitute a quorum, provided that if a representative has been designated to serve in that capacity by more than one Member, each Member that has made the designation shall be counted toward the quorum. The requisite percentage of affirmative votes for approval of any action shall be as stated in the WSPP Agreement.

## **ARTICLE 7 OFFICERS; ADMINISTRATIVE COMMITTEE; COMPENSATION**

**7.1. OFFICERS.** The Officers of the Corporation shall be a Chairman, Vice Chairman, and Secretary/Treasurer. The Chairman, Vice Chairman, and Secretary/Treasurer of the Executive Committee shall, in such capacities, be the Officers of the Corporation.

**7.1.1. CHAIRMAN.** The Chairman must be a Member's designated representative to the Executive Committee. When the Executive Committee is not in session, the Chairman shall have general management and control of the business and affairs of the Corporation, subject at all times to the resolutions of the Executive Committee and the WSPP Agreement. The Chairman shall cause Notice to issue of all meetings of the Executive Committee.

**7.1.2. VICE CHAIRMAN.** The Vice Chairman shall, in the absence or disability of the Chairman, exercise the powers and perform the duties of the Chairman and such other duties as the Executive Committee or Chairman may prescribe.

**7.1.3. SECRETARY/TREASURER.** All duties of the Secretary/Treasurer may be performed by the Secretary/Treasurer's designee subject to the direction of the

Secretary/Treasurer. The Secretary/Treasurer shall attend to the giving and serving of all Notices to Executive Committee members and other notices required by law or these Bylaws. The Secretary/Treasurer shall record minutes of meetings and actions of the Executive Committee. The Secretary/Treasurer shall affix the seal of the Corporation to deeds, contracts, and other instruments in writing requiring a seal, when duly signed or when so ordered by the Executive Committee or Administrative Committee and shall have charge of the books and papers of the Corporation. The Secretary/Treasurer shall have custody of all funds, securities, and evidences of indebtedness of the Corporation. The Secretary/Treasurer shall receive and give receipts for moneys paid in on account of the Corporation and shall pay out of the funds on hand any bills, payrolls and other just debts of the Corporation of whatever nature upon maturity. The Secretary/Treasurer shall maintain full and accurate accounts of all moneys received and paid out on account of the Corporation. The Secretary/Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Corporation in such depositories as may be designated by the Administrative Committee or Executive Committee. The Secretary/Treasurer shall adhere to budgets determined by the Executive Committee, including the annual budget under section 8.1.4 of the WSPP Agreement. Upon a duly approved resolution of the Administrative Committee or Executive Committee, the Secretary/Treasurer may employ the services of an accounting firm or other fiscal agent to carry out record keeping and other functions of the Secretary/Treasurer under these Bylaws. The Secretary/Treasurer shall have responsibility for other duties incident to that office and as the Administrative Committee or Executive Committee may prescribe.

## **7.2. ADMINISTRATIVE COMMITTEE.**

**7.2.1. COMPOSITION.** There shall be an Administrative Committee of the Corporation, which shall be a sub-committee of the Executive Committee. The Administrative Committee shall have five members. The members of the Administrative Committee shall be the Chairman, Vice Chairman, and Secretary/Treasurer of the Executive Committee and the Chairman and Vice Chairman of the Operating Committee, and election to such positions by the Executive Committee or Operating Committee, as applicable, shall also be election to the Administrative Committee. The term of each Administrative Committee member shall be coterminous with his term as an Officer of the Executive Committee or Operating Committee. If a member of the Administrative Committee resigns his officer position with the Executive Committee or Operating Committee, he shall be deemed to have resigned as a member of the Administrative Committee, and his successor elected by the Administrative Committee under section 4.5 or section 5.2 of these Bylaws shall serve as a member of the Board for the remaining term.

**7.2.2. POWERS.** The Administrative Committee shall administer the affairs of the WSPP as the Executive Committee may direct or approve.

**7.2.3. ACTION WITHOUT MEETING.** The Chairman of the Executive Committee shall call meetings of the Administrative Committee from time to time. Meetings may occur by telephone conference or in person. Reasonable advance notice of meetings and subjects to be discussed or voted upon shall be given in a manner practical under the circumstances.

**7.3. OPERATING AGENT.** The Executive Committee may appoint an Operating Agent, from time to time, which agent shall perform functions and duties in accordance with the WSPP Agreement as the Executive Committee or Administrative Committee may direct.

**7.4. COMPENSATION.** Except as otherwise determined by the Executive Committee, Executive Committee members, Operating Committee members, members of the Administrative Committee, Officers, and members of standing or ad hoc committees shall receive no compensation from the Corporation for their services.

## **ARTICLE 8 CHECKS, DEPOSITS AND FUNDS**

**8.1. CHECKS, DRAFTS, AND OTHER ORDERS FOR PAYMENT OF MONEY.** All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be approved and issued in accordance with written policies of the Corporation that have been approved by the Executive Committee.

**8.2. DEPOSITS.** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Executive Committee or Administrative Committee may select.

## **ARTICLE 9 NON-ISSUANCE OF CAPITAL STOCK AND NON-PAYMENT OF DIVIDENDS**

**9.1.** The Corporation shall not authorize or issue shares of stock or pay any dividend or any part of its income to its Members, Executive Committee members, Operating Committee members, or Officers.

## **ARTICLE 10 BOOKS AND RECORDS**

**10.1. BOOKS AND RECORDS.** The Corporation shall keep accurate and complete books and records of account, shall keep minutes of the proceedings of its Executive Committee and Operating Committee, and shall keep, at such location as the Chairman of the Executive Committee may determine, a record stating the names and addresses of the Members and Parties entitled to vote, and their representatives designated to cast votes on the Executive Committee and Operating Committee under section 8.5 of the WSPP Agreement.

**10.2. INSPECTION OF BOOKS OF ACCOUNT.** The books and records of account of the Corporation, and supporting documentation for bills paid and rendered, are available to Members for inspection for a period not to exceed two (2) years from the time such bills were paid or rendered. Requests to inspect shall be made by Notice to the Corporation no later than thirty (30) days before the inspection is requested to occur. The requesting Member may perform the inspection using its own staff or may designate a certified public accounting firm to conduct the review. All costs to perform the inspection shall be borne by the requesting Member. The Member performing the review shall not voluntarily release any records or information obtained in the inspection to any third party without the written consent of the Chairman or the Executive Committee or as required by law.

## **ARTICLE 11 ADDITIONAL PROVISIONS**

### **11.1. NOTICES.**

**11.1.1. NOTICES OF DESIGNATION OF REPRESENTATIVES AND ALTERNATES.** In accordance with section 8.5 of the WSPP Agreement, each Party shall give notice to all Members and the WSPP of the name and contact information of its designated representative and alternate representative on each committee, or of any changes thereto.

**11.1.2. NOTICES OF MEETINGS.** Notices of all meetings of the Executive Committee and Operating Committee shall state the place, day and hour of the meeting, and shall be delivered to each representative and alternate, or Administrative Committee member, as applicable, by e-mail, fax, overnight delivery, or regular mail (with the notice considered given at the time the documents are sent).

**11.1.2.1.** Notice of meetings of the Executive Committee and Operating Committee shall be delivered not less than ten (10) business days nor more than fifty (50) business days prior to the meeting. Notices shall be addressed in accordance with the Members' contact information specified on the Corporation's Internet site and such delivery shall be sufficient regardless of whether such address is correct. Each notice of a meeting shall include an agenda of matters to be discussed and/or submitted for vote at the meeting.

**11.1.2.2.** Whenever the Chairman or not less than ten (10) members of the applicable committee finds that urgent business requires Executive Committee or Operating Committee action, as applicable, sooner than the ten (10) business day notice requirement of Section 11.1.2.1 of these Bylaws permits, a special meeting of the applicable Committee may be called. Such special meetings will be held upon as much written notice to each Committee member as is feasible under the circumstances, which will not be less than three (3) days.

**11.1.2.3.** A Notice may specify that a meeting shall be conducted by, or that persons may participate by, a means of telecommunication, provided that all participating in the meeting may hear each other during the meeting. In the event of such Notice, each representative, alternate, or Administrative Committee member participating by such means is considered to be present physically at the meeting.

**11.1.3. NOTICES TO THE CORPORATION.** Notice to the Corporation shall be given in writing to the Chairman.

**11.2. SEAL.** There shall be a corporate seal stating the corporate name, state, and the year of incorporation. The seal shall be in charge of the Secretary/Treasurer or his designee, and shall be used as authorized by the Bylaws or applicable law.

**11.3. FISCAL YEAR.** The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

**11.4. WAIVER OF NOTICE.** Any Notice of meetings required to be given under these Bylaws or applicable law to Members, Executive Committee members, Operating Committee members, or the Administrative Committee, may be waived in writing signed by the person or persons entitled to such Notice, whether before or after the time stated therein.

**11.5. EXPENSES.** Unless otherwise determined by the Executive Committee, all expenses a Member or a committee member incurs in connection with meetings and other corporate functions under these Bylaws shall be borne by the Member or committee member.

**11.6. AMENDMENTS.** These Bylaws may be altered, amended or repealed by an affirmative vote of ninety percent (90%) of the Executive Committee in accordance with section 6.3 of these Bylaws.

**11.7. LIABILITY TO THIRD PARTIES.** For the avoidance of doubt, the Corporation expressly incorporates into these Bylaws section 16-6a-115 of the Utah Revised Nonprofit Corporation Act, which provides that “The directors, officers, employees, and members of a nonprofit corporation are not personally liable in their capacity as directors, officers, employees, and members for the acts, debts, liabilities, or obligations of a nonprofit corporation.”

**Adopted by the Executive Committee of WSPP Inc. as of June 20, 2003, and amended November 3, 2009.**

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