

**BYLAWS of the VML/VACo
Appalachian Power Steering Committee
Adopted 10/14/2020**

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of
VML/VACo Appalachian Power Steering Committee**

Adopted October 14, 2020

1. Purpose

The Virginia Municipal League (VML) and the Virginia Association of Counties (VACo) Steering Committee (the “Committee”) consists of local governments and other political subdivisions of the Commonwealth of Virginia (the Members”) who are customers of the Appalachian Power Company (APCO) and have joined together to exercise jointly powers to further their economic interests in the aggregation and procurement of electricity supply, electricity delivery, and other energy-related activities. The purchase of competitive electricity supply services, including generation, transmission, ancillary, and billing services related to such competitive electricity supply services, (“Electricity Supply Services”) on an aggregated basis for accounts whose local electricity distribution company is Appalachian Power Company (APCO) shall be the primary purpose of the Committee.

2. Core Function

The Committee or their designee shall have the authority to act as each Member’s agent for Core Functions relating to all APCO accounts for which a Member is responsible for procuring energy services (“Accounts”). The Committee shall also have authority to undertake the following as each Member’s agent for Core Functions:

- (a) evaluation of offers for Electricity Supply Services for some or all the Accounts (with such assistance from consultants and attorneys as the Committee deems appropriate),
- (b) the award of one or more contracts for Electricity Supply Services for some or all of the Accounts,
- (c) administration of contracts for Electricity Supply Services for some or all of the Accounts.
- (d) authorize the provision of administrative services provided to the Committee by VML in the role of Secretary/Treasurer in accordance with Section 8 (f).

Each contract awarded by the Committee for one or more Accounts of a Member shall constitute a contract between a Member and the supplier of services under that contract, and Committee shall not be deemed to be a party to such contract. The Chair or the Vice-Chair of the Committee shall execute each contract on behalf of the Member, and the Member, subject to annual appropriations, shall purchase the services for its Account in accordance with the contract. A copy of each such contract shall be provided to each Member as applicable.

3. Non-Core Functions

The Committee shall have the authority to appoint one or more subcommittees to recommend what Non-Core Functions to undertake and to determine how Members may elect to participate in such functions and how participating Members will fund such functions. Such Non-Core Functions may include, but not limited to, Environmental Compliance Activities, metering services, billing services (except for generation billing services), economic load curtailment services, efficiency, and managing services, and intervention in any regulatory matters such as SCC or legislative action.

4. Membership Fees

Each Member shall, subject to annual appropriations, submit payment for its fees, as such fees are determined by the Committee, its pro rata share of expenses, based upon each Member's energy consumption or upon such other equitable method of funding as may be determined from time to time by the Committee.

Notice of Assessments shall be sent to Members by May 1st of each year, and such fees shall be due and payable by August 1st of each year. The Committee may assess Members more than once a year only under extraordinary and unanticipated circumstances.

5. Budget and Fiscal Year

The Committee shall adopt by March 1st of each year an annual budget for the upcoming fiscal year, including anticipated receipts and expenditures in such detail as the Committee may deem appropriate. The fiscal year of the Committee shall be from the first day of July in each year until the thirtieth day of the following June, both inclusive.

6. Members

(a) Membership

Membership in the Committee shall consist of one (1) representative of each local government or other political subdivision of the Commonwealth who purchase energy from the Appalachian Power Company and who has also paid the most recent Membership Fee assessed per § 4.

(b) Termination of Membership

The Committee may terminate the membership of any Member who fails to pay its membership fees, comply with these Bylaws, or other rules and regulations for Members, as established from time to time by the Committee.

(c) Withdrawal of Members

A Member may withdraw from membership effective upon July 1 of any calendar year if written notice has been given to the Committee prior to March 1 of that calendar year, or (b) effective upon notice by a Member to the Committee that the Member is withdrawing on or after the effective date of a Bylaw amendment; provided, however, that any Accounts of a withdrawing Member that are participating in any contract awarded by the Committee shall continue to participate in such contract until such contract has expired or has been terminated in accordance with the terms of such contract. If a member withdraws mid-year no membership fees will be refunded.

(d) Meetings of Members

The Members shall meet annually, on such date and at such time and place as shall be designated by the Committee Chair. Special meetings of Members may be held at such time and place as shall be designated in the notice thereof upon a call of the Committee, the Chair of the Committee, or not less than 10% of Members.

(e) Notice of Meetings

Notice of the annual meeting and any special meeting of Members shall be sent to members at least 5 days in advance by any means reasonably calculated to convey such notice to the designated representative (“Designated Representative”) of each Member identified on the Member list maintained by the Committee Secretary/Treasurer (the “Member List”).

(f) Voting by Members

Each Member shall have one vote which shall be cast by such Member’s Designated Representative.

(g) Conduct of Meetings

The Chair of the Committee shall preside over all meetings of the Members, except that in his absence, the Vice-Chair or another member of the Committee shall preside.

At each annual meeting, the Secretary/Treasurer shall report on the financial position of the membership. The Members shall also elect Board members as provided in § 7(b) of these Bylaws.

(h) Quorum

Attendance by the lesser of (i) a simple majority of the Members or (ii) eight Designated Representatives shall constitute a quorum and when a quorum is present at any meeting, a majority of the Designated Representatives present may decide any question brought before such meeting except as otherwise provided by law or these Bylaws; provided, however, in the event a quorum shall not be present at an annual meeting of the Members, vacancies on the Board of the Committee may be filled by vote of those Designated Representatives present.

7. Governance

(a) Board

The Committee shall be governed by a Board (the "Board") which may exercise all the powers except as otherwise provided by law or by these Bylaws. The Board may retain the services of such consultants, legal counsel, administrators, and others as they deem necessary or advisable in exercising such powers.

(b) Composition and Election of Board Members

The Chair and Vice-Chair, who shall be Members in good standing, shall be elected at the Annual Meeting of the Committee. The Secretary/Treasurer shall be ex officio and appointed by the Executive Director of the Virginia Municipal League. An Executive Committee, to be composed of the Chair, Vice-Chair, and three Committee Members and shall be elected at the Annual Meeting of the Committee. The duties of the Executive Committee shall be to meet as needed and supervise the management of the Committee's activities.

The initial Board shall be composed of C. James Ervin, Chair; Vice-Chair Carol Davis, and Executive Committee Members Laura Carini, Michael Hatfield, and Chris Perkins, who shall serve initial terms of approximately one or two years. Thereafter the board shall be elected in accordance with these Bylaws at the annual meeting of the Committee. These officers and any other officers elected in accordance with the Bylaws shall serve until the earlier of the submission of such officer's resignation or such officer's removal and the election of a successor by the Executive Committee.

Each officer shall hold office for one year and until such officer's successor is duly elected and qualified, or until such officer's death, resignation, or removal. Each officer shall perform the duties set forth in these bylaws and shall comply with such other conditions as from time to time may be required by the Steering Committee.

The Chair shall preside at all meetings of the Board, except that in the absence of the Chair, the Vice-Chair or another member of the Executive Committee shall preside.

In the event the Members fail to elect or fill vacancies of the Executive Committee pursuant to this § 7(b), Executive Committee members currently serving whose terms have not at such time expired shall as soon as practical fill all vacancies on the Executive Committee for the ensuing year.

Not less than 30 days prior to each annual meeting, the Executive Committee shall appoint a Nominating Committee who will solicit the names of candidates from the Members and present the suggested slate of officers to the Membership for recommendation at the Annual Meeting of the Committee. Nominations may also be made by Members from the floor unless the annual meeting is held electronically during a State of Emergency.

(c) Resignation or Termination of a Board Member

A Board member may resign from all duties and responsibilities as a Member of the Executive Committee at any time by written notice delivered to the Chair.

The term of an Executive Committee member selected by the Members pursuant to § 7(b) of these Bylaws or appointed by the Executive Committee pursuant to § 7(d) of these Bylaws shall be terminated if such Member no longer represents a local government or other political subdivision which is a Member of the Steering Committee.

(d) Vacancies

Any vacancy occurring on the Executive Committee other than a vacancy caused by an expired term (except as otherwise may be expressly provided herein) may be filled by the affirmative vote of a majority of the remaining members present and voting at a meeting at which a quorum is present. In cases where vacancies are filled by the remaining members, the Executive Committee may, but need not, solicit nominations from the Members.

(e) Meetings

Regular meetings of the Executive Committee shall be held at least once a year at a location the Chairman determines and is a member locality.

Special meetings of the Executive Committee shall be held on the call of the Chair, Vice-Chair, or any two other Board members. The Chair of the Committee or his designee shall set the date, time, and location of each meeting so that the meeting will take place within 60 days of receipt of such call.

The Secretary/Treasurer of the Executive Committee or the Secretary/Treasurer's designee shall act as secretary for all meetings of the Executive Committee.

(f) Action at Meeting

At any Executive Committee meeting at which a quorum is present, the vote of a majority of the Committee members present shall be sufficient to decide any matter unless a different vote is specified by law or by these Bylaws.

(g) Committees

The Executive Committee may create one or more Committees and determine the purpose and an appropriate number of members to serve on them and appoint a Member to serve as Chair of the Committee.

(h) Liability of Members

The Committee shall not create or incur any liability for the Members, jointly or severally, other than in the following instances, which shall be subject to annual appropriation: (i) the costs incurred by any Member for payments under contracts signed by the Chair or Vice-Chair on behalf of the Committee as the Member's agent or (ii) the pro-rata share of the budget or the membership fees or, if applicable, the fees for non-Core functions, imposed for a Member's participation in the group. No Member shall be liable or responsible for any payments owed under any contracts by any other Member.

(i) Liability of Board members and Officers

The Committee shall provide officers and directors insurance for its Board members and officers and shall also indemnify such officers and Board members for any deductibles associated with such insurance coverage.

8. Officers

(a) Chair

The Chair shall direct the operations of the Committee and shall perform all other duties incident to such office.

(e) Vice-Chair

The Vice-Chair shall have the powers and duties incident to that office and shall have such other powers and duties as may be prescribed from time to time by the Committee.

(f) Secretary/Treasurer

The Secretary/Treasurer shall be responsible for ensuring the recordation of the minutes and for preparing and maintaining custody of the minutes of all meetings of the Members, the Steering Committee, and when required, of all standing committees. The Secretary/Treasurer shall also serve and give all notices of the steering committee and shall be responsible for responding to Freedom of Information Act requests. The Secretary/Treasurer shall be the custodian of the records and such other books, records,

and papers as the Steering Committee may direct; authenticate the records of the steering committee; and perform such other duties as may be incident to such office or as prescribed by the Steering Committee.

The Secretary/Treasurer shall see that regular and full accounts are maintained and that proper financial reports are made to the Steering Committee. The Secretary/Treasurer shall have such other powers and perform such other duties as are assigned to the Secretary/Treasurer by these Bylaws or as may be assigned to the Secretary/Treasurer by the Steering Committee or the Chair. The Steering Committee may require that the Secretary/Treasurer give bond to the steering committee with sufficient sureties, conditioned on the faithful performance of the duties of the Secretary/Treasurer. The Secretary/Treasurer does not need to be a member locality and shall be appointed by the Executive Director of the Virginia Municipal League.

9. Contracts, Loans, Checks, and Deposits

(a) Contracts

Either the Chair or the Vice-Chair may execute contracts on behalf of and in the name of the Committee. The Committee may authorize any other officer or officers, agent or agents to enter into any contract or execute any instrument in the name of and on behalf of the Committee, and such authority may be general or confined to specific instances.

(c) Checks, Drafts, etc.

All checks, drafts, bills of exchange and other negotiable instruments (except promissory notes) of the Committee connected therewith shall be signed by the Chair, Vice-Chair, the Secretary/Treasurer, or by such other officer or agent of the Committee authorized by the Executive Committee.

(d) Deposits and Investments

All funds of the Committee not otherwise employed shall be deposited from time to time in such banks or other depositories as the Committee may select or invested as allowed under state law.

10. Termination of Group

The Committee may be terminated at any time upon the concurrence of all Members at the time of such termination.

In the event of termination, any remaining funds available to the Committee, after providing for all outstanding obligations, shall be distributed to Members at the time of such termination through a formula determined by the Committee.

11. Notices

Unless otherwise provided for in these Bylaws, any notices, approvals, requests, consents and other communications required by these Bylaws shall be deemed to have been given when delivered in person, by fax, by e-mail, or by first class mail, addressed to the principal Designated Representative on the Member List maintained by the Secretary/Treasurer. In addition, the Committee may utilize a website or similar method to inform Members of Committee meetings, Board meetings, contract awards, and other matters of interest to Members.

12. Amendments

These Bylaws may be amended at any time by the concurrence of two-thirds of the Committee present at a called meeting or two-thirds of the Members by direct mail ballot as long as (a) such amended Bylaws are consistent with the Members' Resolutions and (b) Members shall have the right to withdraw prior to the effective date of such amendment. The Committee, at least 30 days prior to the adoption of amended Bylaws, shall make a copy of such proposed amended Bylaws available to Members.