

BYLAWS OF NORTHWEST HYDROELECTRIC ASSOCIATION

ARTICLE I NAME

The name of the Association is the Northwest Hydroelectric Association, commonly referred to as NWAHA.

ARTICLE II PURPOSES

The purpose of the Association shall be as described in the Articles of Incorporation filed with the Corporation Commissioner of Oregon.

ARTICLE III MEMBERSHIP

Section 1. Membership in the Association shall be open to any individual, partnership, corporation, association or division of government interested in furthering the purposes of the Association.

Section 2. Voting rights in the Association shall be granted to any member. In all votes of record, each member shall be entitled to one vote. Proxy voting is permitted at membership meetings if the proxy authority is in writing and signed by the member authorizing the proxy vote. The records of the Association shall finally determine the voting rights of members and the Executive Director shall maintain and have open to inspection by the members at the membership meetings a current record of all members.

Section 3. At all membership meetings, a quorum shall be a majority of those members present.

Section 4. The annual membership dues and contract fees shall be in such amount as may be fixed from time to time by the Board of Directors.

Section 5. The fiscal year of the Association shall be the calendar year.

ARTICLE IV BOARD OF DIRECTORS

Section 1. The control of the Association shall be vested in a Board of Directors of not less than seven (7), nor more than twenty-one (21) individuals, each of whom shall be a member of the Association.

Section 2. There shall be no limit on the number of terms which a director may serve.

- (a) The Directors shall be elected by the members either by written ballot, as described in Sections 7 and 8, or at the annual membership meeting. The Association shall attempt to provide representation to all geographic and economic areas of interest within the membership.
- (b) Candidates for the board shall have served as a member in good standing for at least one year's time prior to election.

- (c) At each annual meeting of the Board of Directors, the successors to the directors whose terms expired that year shall be elected to serve a term of three (3) years.

Section 3. The Board of Directors shall have the power to determine policies of the Association, approve contracts and enter into agreements, acquire, use or dispose of property, employ such technical and administrative personnel as may be necessary, fix salaries, and do all such other lawful acts and things necessary to advance the purpose of the Association.

Section 4. The Board of Directors shall meet immediately following the annual membership meeting and at that meeting shall elect a President, Vice President, Secretary and Treasurer.

Section 5. In addition to the meeting provided in Section 4 of this article, the Board of Directors shall meet upon call of the majority of the Executive Committee.

Section 6. Meetings of the Board of Directors may be held at any place within the states of Idaho, Oregon, Montana, or Washington, or at such other places as may be specifically approved by a majority of the Board of Directors. Notice of any meeting must be sent via U.S. mail to members at their latest address of record on file in the Association office at least ten (10) days prior to the date of the meeting. The notice shall specify the time, place and agenda of the meeting.

Section 7. A minimum of seven (7) members of the Board of Directors at any regularly called meeting as provided in Section 6 shall constitute a quorum and their actions shall be binding on the Association. For purposes of establishing a quorum, the General Counsel may be counted in that quorum. If less than a quorum is present at a meeting, the Board of Directors present may adjourn the meeting from time to time without further notice. A Director may participate in a meeting of the Board by a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at the meeting. In the event of a tie vote, the action shall be tabled and the matter submitted to the entire Board pursuant to Article IV, Section 8.

Section 8. Action of the Board may be taken by written ballot. For purposes of this Section 8, "written ballot" shall be defined to include ballot by regular mail, fax, modem, electronic mail or any other means of remote transmission. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approved the action; and specify a reasonable time by which a ballot must be received in order to be counted.

Section 9. The Board may fill any vacancies in the Board caused by resignation or death by appointing a new Director for the unexpired term of the vacant directorship.

Section 10. The current Past President shall serve as a voting member of the Board of Directors, as an Officer and as a member of the Executive Committee.

Section 11. Past Presidents from up to three (3) years' prior, are non-voting members of the Board of Directors and are not members of the Executive Committee.

ARTICLE V OFFICERS

Section 1. The officers of the Association shall consist of the President, Immediate Past President, Vice President, Secretary, Treasurer and General Counsel.

Section 2. All officers of the Association except the Immediate Past President and General Counsel shall be elected by the Board as provided in Article IV, Section 4. Upon the election of a new President of the Board, the person who had served as President immediately prior to the election of the new President shall assume the office of Immediate Past President. The Immediate Past President shall have all rights and privileges of other Directors, including the right to vote at Board meetings. The General Counsel shall be appointed by the Board of Directors, but shall not have the right to vote at Board meetings. All officers of the Association shall serve at the pleasure of the Board.

Section 3. The officers of the Association shall be elected to one (1) year terms and shall serve until their successors are elected and qualified. They shall be subject to removal by the Board, and the Board may fill any vacancy in an office, whether caused by removal, resignation or death, by appointing a replacement for the unexpired term of the office.

ARTICLE VI THE EXECUTIVE COMMITTEE

Section 1. The Executive Committee shall consist of voting officers: President, Immediate Past President, Vice President, Secretary and Treasurer. Non-voting members of the Executive Committee include the General Counsel, one Director acting as liaison to WashGAP and another director as liaison to the Foundation for Water and Energy Education. The Executive Committee may invite any Chairpersons, staff, or other representatives of the membership to take part in the meeting.

Section 2. The Executive Committee shall exercise the authority of the Board of Directors between Board meetings, except that it may not amend the Bylaws or create new permanent positions.

Section 3. The Executive Committee shall meet upon call of the President, the Vice President, or upon a joint call signed by three members of the Executive Committee.

Section 4. A majority of the members of the Executive Committee shall constitute a quorum for transaction of business. If less than a majority be present at a meeting, a majority of the Board of Directors present may adjourn the meeting from time to time without further notice. An Officer of the Executive Committee may participate in a meeting of the Board by a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the

same time, and participation by such means shall constitute presence in person at the meeting.

Section 5. The Executive Committee shall keep regular minutes of its meetings and actions and these shall be open to inspection at any reasonable time by any member of the Board of Directors.

Section 6. Any action required or permitted to be taken at a meeting of the Executive Committee may be taken without a meeting if a written consent form for the action to be taken is signed by each of the members of the Executive Committee. Any such written consent shall be inserted in the minutes book as if it were the minutes of an Executive Committee meeting.

ARTICLE VII PRESIDENT

Section 1. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the membership, the Board of Directors and the Executive Committee. The President shall have general and active management of the business of the Association and shall see that all orders, resolutions and other acts of the Board are carried into effect.

Section 2. The President shall, in the name of the Association, execute all bonds, mortgages, contracts and other documents, as authorized by the Board of Directors or the Executive Committee.

Section 3. The President shall be an ex officio member of all committees and have the general powers and duties of supervision and management usually vested in the office of President of an Association.

ARTICLE VIII VICE PRESIDENT

The Vice President shall serve as President of the Association in the absence of the President. The Vice President shall provide oversight for the membership records of the Association and for all elections of the Association.

ARTICLE IX SECRETARY

The Secretary shall be responsible for oversight of the Association's records, and shall keep the Minutes of the Board of Directors.

ARTICLE X TREASURER

Section 1. The Treasurer shall be responsible for oversight of the funds of the Association.

Section 2. The Treasurer shall cause an annual financial statement of the Association funds to be made by a qualified, independent auditor and present such financial statement at the annual meeting and present audits to the Board of Directors and the Executive Committee as they may order.

Section 3. The Treasurer shall be Chair of the Finance and Budget Committees of the Association. The Treasurer shall present a report of financial status,

estimated income and budget for the ensuing year to the membership at the annual meeting.

ARTICLE XI
THE GENERAL COUNSEL

The General Counsel shall be the chief legal officer of the Association. General Counsel shall be responsible for the articulation of the Association's policy.

ARTICLE XII
EXECUTIVE DIRECTOR

The Association may hire and appoint an Executive Director who shall serve at the pleasure of the Board and who shall perform those services and fulfill those responsibilities as, from time to time, the Board shall establish. The Board shall have authority to fix the Executive Director's compensation.

ARTICLE XIII
AMENDMENT TO BYLAWS

These Bylaws may be amended from time to time by action of the Board.

ARTICLE XIV
INDEMNIFICATION

Section 1. Non-Derivative Actions. Subject to the provisions of Sections 3, 5 and 6, below, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of or arising from the fact that the person is or was a Director or Officer of the Corporation, or is or was serving at the request of the Corporation as a Director, Officer, partner or trustee of any other Corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if (i) he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and with respect to any criminal action or proceeding, did not know the conduct was unlawful, or (ii) an act or omission giving rise to such action, suit or proceeding is ratified, adopted or confirmed by the Corporation or the benefit thereof received by the Corporation. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, did not know that his conduct was unlawful, and settlement shall not constitute any evidence of any of the foregoing.

Section 2. Derivative Actions. Subject to the provisions of Sections 3, 5 and 6, below, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of or arising from the fact that the person is or was a Director or officer of the Corporation, or is or was serving at the request of the Corporation as a Director, Officer, partner or trustee of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorney fees) actually and reasonably incurred by him in

connection with the defense or settlement of such action or suit if the person (i) acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Corporation, or (ii) act or omission giving rise to such action or suit is ratified, adopted or confirmed by the Corporation or the benefit thereof received by the Corporation; provided, however, that no indemnification shall be made in respect to any claim, issue or matter as to which such person shall have been adjudged to be liable for gross negligence or deliberate misconduct in the performance of his duty to the corporation unless, and only to the extent that the court in which the action or suit was brought, shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

Section 3. Determination of Right to Indemnification in Certain Cases. Subject to the provisions of Sections 5 and 6, below, indemnification under Sections 1 and 2 of this Article automatically shall be made by the Corporation unless it is expressly determined by a majority vote of a quorum of the Board of Directors consisting of Directors who were not parties to such action, suit or proceeding, or by a majority vote of the Members of the Corporation that indemnification of the person who is or was an Officer or Director, or is or was serving at the request of the Corporation, as an Officer, Director, partner or trustee of another corporation, partnership, joint venture, trust or other enterprise, is not proper in the circumstances because he has not met the applicable standard of conduct set forth in Sections 1 and 2.

Section 4. Indemnification of Persons Other than Officers or Directors. In the event any person not included within the group of persons referred to in Sections 1 and 2 of this Article was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding of a type referred to in Sections 1 or 2 of this Article by reason of or arising from the fact that the person is or was an employee or agent of the Corporation, or is or was serving at the request of the Corporation as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise, the Board of Directors of the Corporation by a majority vote of a quorum (whether or not such quorum consists in whole or in part of Directors who were the parties to such action, suit or proceeding) or the Shareholders of the Corporation by a majority vote of the outstanding shares may, but shall not be required to, grant to such person a right of indemnification to the extent described in Sections 1 or 2 of this Article as if he were an Officer or Director referred to therein, provided that such person meets the applicable standard of conduct set forth in such Sections.

Section 5. Conditions Precedent to Indemnification Under Sections 1, 2 or 5. Any person who desires to receive the benefits otherwise conferred by Sections 1, 2, or 5 of this Article shall notify the Corporation reasonably promptly that the person has been named a defendant to an action, suit or proceeding of a type referred to in Sections 1 or 2 and that he intends to rely upon the right of indemnification described in Sections 1, 2 or 5 of this Article. The notice shall be in writing and mailed via registered or certified mail, return receipt requested, to the Executive Director of the Corporation at the executive offices of the Corporation or, in the event the notice is from the President, to the registered agent of the Corporation. Failure to give the notice required hereby shall entitle the Board of Directors of the Corporation by a majority vote of a quorum (consisting of Directors who, insofar as indemnity of Officers or Directors is concerned, were not parties to such action, suit or proceeding, but who, insofar as indemnity of employees or agents is concerned, may or may not have been parties) to make a

determination, in their sole discretion, that such failure was prejudicial to the corporation in the circumstances and that, therefore, the right to indemnification referred to in Sections 1, 2 and 5 of this Article shall be denied in its entirety or reduced in amount.

Section 7. Insurance. At the discretion of the Board of Directors, the Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by the person in any such capacity, or arising out of the person's status as such, whether or not the Corporation would have the power to indemnify that person against such liability under the provisions of this Section.

Section 8. Former Officers and Directors. At the discretion of the Board of Directors, the indemnification provisions of this Article XI or each of any of said provisions individually may be extended to a person who has ceased to be a Director, Officer, employee or agent and may insure to the benefit of the heirs, executors and administrators of such a person.

Section 9. Purpose and Exclusivity. The indemnification referred to in the various sections of this Article shall be deemed to be in addition to and not in lieu of any other rights to which those indemnified may be entitled under any statute, rule of law or equity, agreement, vote of the Shareholders or Board of Directors or otherwise. The purpose of this Article is to augment, pursuant to ORS 61.215(3), the other provisions of ORS 61.205 and 61.215.

Approved as Amended February 3, 1995

Approved as Amended January 29, 1996

Approved as Amended January 13, 2006 Article IV, Section 2(b) added