

**HEBER LIGHT & POWER COMPANY
ORGANIZATION AGREEMENT**

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On _____, Heber City, Utah, Midway City, Utah, and Charleston Town, Utah made and entered this organization agreement pursuant to the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended.

RECITALS

WHEREAS Heber City, Midway City and Charleston Town had previously created the Heber Light & Power Company pursuant to an agreement for joint and cooperative action under the Act.

WHEREAS under the original agreement for joint and cooperative action, Heber City had a 75% interest in the Company, Midway City had a 12.5% and Charleston Town had a 12.5%.

WHEREAS Heber City, Midway City and Charleston Town have, from time to time, amended the original agreement for joint and cooperative action.

WHEREAS the Parties wish to amend, modify, and restate their agreement for joint and cooperative action as set forth in this Organization Agreement.

WHEREAS the Parties desire and intend for this Organization Agreement to replace and supersede all prior agreements among Heber City, Midway City and Charleston Town concerning the Company’s creation, organization, management and powers, and concerning the Parties’ respective rights and interests in the Company or its assets.

NOW THEREFORE, the Parties agree as follows:

25 **A. Definitions**

26 Capitalized terms in this Organization Agreement shall have the following meanings

27 1. “Act” shall mean the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code
28 Annotated 1953, as it may be amended from time to time.

29 2. “Alternate” shall mean a councilperson selected as provided in Paragraph H. 2, by
30 the Heber Mayor, the Midway Mayor, the Charleston Mayor, or the Chairperson of the Wasatch
31 County Council to serve for a Director who is temporarily unable to serve.

32 3. “Board” or “Board of Directors” shall mean the Company’s board of directors and
33 governing body of the Company as provided in Paragraph H of this Organization Agreement.

34 4. “Chair” is defined in Paragraph H. 2.

35 5. “Chairperson” is defined in Paragraph H. 2.

36 6. “Charleston” shall mean Charleston Town, Utah.

37 7. “Company” shall mean Heber Light & Power Company, an interlocal entity
38 created by the Parties under the Act to accomplish the purpose of their joint or cooperative action
39 as set forth in this Organization Agreement.

40 8. “Designee” shall mean the councilperson selected as provided in Article H. 2. to
41 serve in the place of the Midway City Mayor, the Charleston Mayor, or the Wasatch County
42 Chairperson.

43 9. “Director” shall mean a member of the Company’s Board of Directors selected as
44 provided in Article H.

45 10. “Distributable Income” is defined in Article J. 2.

46 11. “Heber” shall mean Heber City, Utah.

47 12. “Midway” shall mean Midway City, Utah.

48 13. “Organization Agreement” shall mean this agreement.

49 14. “Party” or “Parties” shall mean Heber, Midway and Charleston either individually
50 or collectively.

51 15. “Party’s Company Share” shall mean for Heber City, a 75% interest; Midway
52 City, a 12.5% interest; and Charleston Town, a 12.5% interest.

53 16. “Third Party” shall mean a public agency, as defined in the Act, that has been
54 selected or approved by the remaining Parties to purchase the interest of the withdrawing Party
55 and that has agreed to become a party to this Organization Agreement.

56 **B. Creation of Heber Light & Power Company**

57 1. The Parties hereby confirm: (a) that the Heber Light & Power Company is an
58 interlocal entity and an energy services interlocal entity created by them under the Act to
59 accomplish the purpose of their joint or cooperative action as set forth herein, (b) that, as an
60 interlocal entity, it is a body politic and corporate and a political subdivision of the State of Utah,
61 and (c) that it is a legal entity separate and distinct from the Parties.

62 2. Pursuant to the Act, the Parties have elected to make the Company an energy
63 services interlocal entity.
64

65 3. The Company shall be named the Heber Light & Power Company. The Board
66 may change the name of the Company.

67 4. From and after the effective date of this Organization Agreement, it shall
68 supersede, in all respects, any prior agreements of the Parties concerning the creation,
69 organization, management, or powers of the Company, and concerning the Parties’ respective

70 rights and interests in the Company or its assets.

71 5. The Company shall be bound by each and every resolution, contract and
72 agreement, enacted by the Company or executed by the Company prior to the effective date of
73 this Organization Agreement, including, without limitation, all resolutions, bond resolutions and
74 indentures, ownership agreements, participation agreements, transmission service contracts,
75 transmission purchase contracts, power sales contracts and power purchase contracts. The
76 Company's present rights and obligations under such resolutions, indentures, contracts and
77 agreements shall in no way be affected by this Organization Agreement.

78 **C. Location**

79 The Company's offices will be in Heber City, Wasatch County, State of Utah, unless a
80 different location is chosen by a majority of the Board.

81 **D. Franchise**

82 The Parties hereby confirm their grant to the Company of an exclusive franchise and right
83 to provide electric power and energy to the Parties, their inhabitants, and others, during the term
84 of this Organization Agreement. The franchise shall not terminate if a Party withdraws under
85 Paragraph O.

86 **E. Purpose**

87
88 1. The purpose of this Organization Agreement and of the creation the Company is
89 to permit the Parties to benefit from the efficiencies and economies of scale that result from the
90 Company's operation, maintenance and acquisition of facilities, services, and improvements that
91 are necessary or desirable for the acquisition, generation, transmission, management, and
92 distribution of electric energy and related services for the use and benefit of the Parties, their

93 citizens, and the inhabitants of surrounding areas.

94 2. The Company and its operation of an electric system for the distribution of
95 electric energy and related services is necessary to provide services and facilities in a manner,
96 and pursuant to a form of governmental organization, that will accord best with geographic,
97 economic, population and other factors influencing the needs and development of the Parties
98 hereto, and to provide the benefit of economies of scale, economic development and utilization
99 of natural resources.

100 3. The Parties have determined that, in order to accomplish these purposes and
101 realize the benefits set forth in *Utah Code Ann.* § 11-13-102, it may be necessary for the
102 Company (upon the determination of the Board) to create, construct, or otherwise acquire
103 facilities or improvements to render services or provide benefits in excess of those required to
104 meet the Parties' needs or requirements.

105 **F. Company's Powers**

106 To accomplish the purposes set forth in Paragraph E, the Company shall have all powers
107 conferred on an interlocal entity and on an energy services interlocal entity by the Act. In
108 addition, the Parties hereby confirm their delegation to the Company of all powers possessed by
109 the Parties: (1) to own and operate electric generation, transmission and distribution facilities that
110 provide or deliver electric energy and related services to persons within the Parties' municipal
111 boundaries and in the surrounding areas, and (2) to exercise, in furtherance of its purpose, the
112 power of eminent domain. Without limiting the foregoing, the Company's powers include the
113 power to:

114 1. adopt, amend, and repeal rules, bylaws, policies, and procedures for the regulation
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- 116 of its affairs and the conduct of its business;
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- 118 2. set rates for services, charge fees (including impact fees), and assess penalties or
119 deny service for violation of Company policies and rules,
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- 121 3. sue and be sued;
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- 123 4. have an official seal and alter that seal at will;
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- 125 5. make and execute contracts and other instruments necessary or convenient for the
126 performance of its duties and the exercise of its powers and functions;
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- 128 6. acquire or dispose of real or personal property, or an undivided, fractional, or
129 other interest in real or personal property, necessary or convenient for its purposes
130 sell, lease, or otherwise dispose of that property;
131
- 132 7. directly or by contract with another: (a) own and acquire facilities and
133 improvements or an undivided, fractional, or other interest in facilities and
134 improvements; (b) construct, operate, maintain, and repair facilities and
135 improvements; and (c) provide the services contemplated this Organization
136 Agreement;
137
- 138 8. borrow money, incur indebtedness, and issue revenue bonds, notes, or other
139 obligations and secure their payment by an assignment, pledge, or other
140 conveyance of all or any part of the revenues and receipts from the facilities,
141 improvements, or services that the Company provides;
142
- 143 9. offer, issue, and sell warrants, options, or other rights related to the bonds, notes,
144 or other obligations issued by the Company;
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- 146 10. sell or contract for the sale of the services, output, product, or other benefits
147 provided by the Company;
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- 149 11. own, acquire, and, by itself or by contract with another, construct, operate, and
150 maintain a facility or improvement for the generation, transmission, and
151 transportation of electric energy or related fuel supplies;
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- 153 12. enter into a contract to obtain a supply of electric power and energy and ancillary
154 services, transmission, and transportation services, and supplies of natural gas and
155 fuels necessary for the operation of generation facilities;
156
- 157 13. sell its services within the Parties' boundaries and in the surrounding areas, and
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159 14. adopt and implement risk management policies and strategies and enter into
160 transactions and agreements to manage the risks associated with the purchase and
161 sale of energy in competitive markets, including forward purchase and sale
162 contracts, hedging, tolling and swap agreements, and other instruments.
163

164 **G. Assets**

165 1. The Company’s assets shall include all real and personal property, whether
166 tangible or intangible, used in any way in the Company’s acquisition, generation, transmission,
167 management, and distribution of electric energy and related services. These assets include: (a)
168 generators, (b) transformers, (c) transmission lines, (d) water rights, storage facilities, and hydro
169 plants with related real property, (e) office, (f) accounts receivable and cash, (g) fuel supplies, (h)
170 easements, (i) distribution facilities, (j) equipment and inventory, (k) trade name, and (l) going
171 concern value.

172 2. The Company’s assets shall be held in the name of and owned by the Company.
173 The Parties confirm their relinquishment and transfer to the Company of any ownership that they
174 may have in the Company’s assets.

175 **H. Board of Directors**

176 1. The Board of Directors shall manage the affairs of the Company, and shall
177 exercise on behalf of the Company all of the powers provided by this Organization Agreement
178 and the laws of the State of Utah.

179 2. The Board of Directors shall have six members selected as provided in this
180 Paragraph H.

- 181 a. The Heber Mayor shall be the chair (“Chair”) and a Director of the Board.
- 182 b. The Chair shall select two Heber councilpersons to serve as Directors.
- 183 c. The Midway Mayor shall be a Director or shall select a Midway

184 councilperson (“Designee”) to serve as a Director.

185 d. The Charleston Mayor shall be a Director or shall select a Charleston
186 councilperson (“Designee”) to serve as a Director.

187 e. The chairperson (“Chairperson”) of the Wasatch County Council shall be
188 a Director or shall select a County councilperson (“Designee”) to serve as
189 a Director. This Director position does not entitle Wasatch County to any
190 ownership in or distributions from the Company.

191 Directors will serve at the pleasure of the Chair, Mayor, or Chairperson that selected
192 them and may be removed by them without cause.

193 A Director may also designate an Alternate from the Director’s municipal or county
194 councils to serve as a Director when the Director is temporarily unable to serve.

195 3. The Heber City Mayor shall be the permanent Chair of the Board. The Board will
196 select the Board’s other officers including Vice Chair and Secretary, the latter of which need not
197 be a Director.

198 4. Four (4) Directors shall constitute a quorum of the Board for the purpose of
199 conducting the business of the Company and exercising its powers and for all other purposes.
200 When a quorum is in attendance, action may be taken by the Board upon a vote of the majority
201 of its Directors present except as otherwise provided in this Organization Agreement.

202 5. A Director representing a Party may call for a Party Only Vote on any issue. A
203 Party Only Vote shall only occur when Heber’s three Directors, Charleston’s one Director, and
204 Midway’s one Director are present. No other Directors may vote. If all of the Parties’ Directors
205 are not present, then the Party Only Vote shall be continued until the next Board meeting at
206 which all Party Directors are present.

207 In the event of a Party Only Vote, Directors’ votes will be weighted as follow: (a) the

208 votes of the Heber City Directors shall each have a 25% weight, (b) the vote of the Midway City
209 Director shall have a 12.5% weight, and (c) the vote of the Charleston Town Director shall have
210 a 12.5% weight. In the event of a Party Only Vote, the Board shall act based upon a greater than
211 50% vote, except as otherwise provided in this Organization Agreement.

212 In the event of a Party Only Vote, Alternates shall not vote nor be counted in determining
213 the presence of a quorum under this Paragraph H.

214 6. The Board may adopt and amend Bylaws not inconsistent with this Organization
215 Agreement or the laws of the State of Utah. The Bylaws may include rules governing regular
216 and special meetings of the Board; quorum and voting requirements; the establishment of
217 offices; the indemnification of Directors, officers, employees, representatives and agents;
218 compliance with open meetings laws; and for such other matters as the Board may determine.

219 7. No Director shall be liable to the Company for breach of any fiduciary duty owed
220 by such Director, except for damages arising out of: (a) a breach of the Director's duty of
221 loyalty to the Company; (b) any act or omission not in good faith or which involves intentional
222 misconduct or a knowing violation of law; or (c) any transaction from which the Director derived
223 an improper personal benefit.

224 8. Meetings of the Board may be held through electronic communication, as
225 provided for in written procedures adopted by the Board. A Director participating in a meeting
226 through such means shall be considered present for purposes of a quorum and voting.

227 9. Each Director shall make diligent efforts to inform the governing body of the
228 Party that the Director represents of the Company's business including, but not limited to, the
229 Company's operations, long-term contracts, debts, and general financial condition. The Parties

230 agree that they are individually responsible for ensuring that their Director representative keeps
231 them properly informed of the Company's business.

232 **I. Budget and Financing**

233 1. The Company's operation and maintenance will be financed with revenue from
234 the sale of electric energy and related services and other available moneys.

235 2. The Company may also finance improvements, such as new construction and
236 upgrade of existing facilities, through the issuance of revenue bonds. Revenue bonds may be
237 issued by the Company from time to time for any purpose permitted under the Act. Any bond
238 issued by the Company is not a debt of any Party, and may be issued without the consent of the
239 Parties' governing bodies.

240 3. Annually, on or before January 1, the Company shall adopt a budget for the
241 ensuing year in accordance with the requirements of its bond resolutions or indentures. At a
242 minimum, each annual budget shall set forth, in reasonable detail, estimates of:

- 243 a. revenues and operating and maintenance expenses;
- 244 b. debt service and reserve requirements;
- 245 c. cost of upgrade and/or replacement of existing facilities; and
- 246 d. amount of contingency reserves to pay unexpected energy price
247 fluctuations and equipment failures or to provide rate stabilization.
248

249 The Company will send a copy of the annual budget to the clerk/recorder for each of the Parties.

250 4. The Company shall monthly provide the Parties' representatives on the Board
251 with a monthly statement of revenue and expenses.

252 5. No Party to this Organization Agreement shall be liable for any bond, note,

253 indebtedness or other obligation incurred by the Company, or be liable for the indebtedness of
254 any other Party to this Organization Agreement, or be liable for any indebtedness or contractual
255 or other obligation with respect to the Company's operations.

256 **J. Distributable Income**

257 1. The Company may periodically pay its Distributable Income to the Parties as
258 provided in this Paragraph J.

259 2. "Distributable Income" means the amount, if any, of the Company's net income
260 that is available for distribution to the Parties after the payment of all operating expenses and
261 debt service costs of the Company and the funding of all rate stabilization, surplus or similar
262 funds established under the Company's bond indenture or resolution, or of any contingency
263 reserves determined by the Board to be reasonably necessary to pay unexpected energy price
264 fluctuations and equipment failures or to provide rate stabilization. The amount of Distributable
265 Income shall not exceed the available amount on deposit in the rate stabilization, surplus or
266 similar fund established under the Company's bond indenture or resolution.

267 3. At its first meeting after the end of a quarter, the Board shall determine: (a)
268 whether the Company has Distributable Income and whether it will make a distribution from its
269 Distributable Income, (b) when the distribution will be made, and (c) how much of the
270 Company's Distributable Income will be available for distribution. The Board shall have the
271 sole discretion to make distributions from Distributable Income, and the Parties shall have no
272 right to a distribution unless the Board approves the distribution.

273 4. Nothing in this Organization Agreement is intended nor should be interpreted to
274 prohibit the Board from permitting the Company to accumulate revenues from its operation that

275 exceed its debt reserves and reasonable operation and contingencies reserves.

276 5. If the Board determines to make a distribution from Distributable Income, each
277 Party shall be entitled to a pro rata portion of the distribution based on their Company Share.

278 **K. Distribution of Assets on Termination**

279 Upon the termination of this Organization Agreement, the Board will sell the Company's
280 assets, pay its debts and obligations and distribute the balance to each Party pro rata based on
281 each Party's Company Share.

282 **L. Transfer of Company Assets to a Party**

283 1. The Board may authorize the transfer of Company assets to a Party when the
284 Board determines that the transfer is in the Company's best interest, and is in compliance with
285 the provisions of this Paragraph L.

286 2. The sale of Company assets to a Party must be approved by an affirmative vote of
287 four Directors, notwithstanding the provisions of Article H. 5.

288 3. Upon approval of the Board, the asset will be sold to the Party for its fair market
289 value as determined by an independent appraisal prepared at the expense of the Party purchasing
290 the asset. The Party purchasing the asset will pay the purchase price upon transfer of the asset,
291 unless the Board unanimously agrees that payments may be made over time.

292 **M. Relationship and Liability of Parties**

293 1. Nothing in this Organization Agreement is intended nor should it be interpreted to
294 295 make the Parties liable or responsible for the actions, debts, obligations, liabilities or defaults of
296 the Company.

297 2. Nothing contained in this Organization Agreement is intended nor should it be

298 interpreted to create an agency, partnership, joint venture, or any other relationship between or
299 among Heber City, Midway City, Charleston Town, the Company or any two or more of them
300 that would in any way make one them liable for the actions, debts, obligations, liabilities or
301 defaults of another.

302 3. The Company is not the agent for the Parties, either individually or collectively.

303 4. The Parties acknowledge and agree that the protection afforded to the Parties
304 under the Utah Governmental Immunity Act, Title 63, Chapter 30, Utah Code Annotated 1953,
305 as amended (the "Immunity Act"), shall be extended to the Company and its Directors, officers
306 and employees. It is the express intention of the Parties that all of the protection afforded to the
307 Parties and their officers and employees under the Immunity Act shall be extended to the
308 Company and its Directors, officers and employees. Each of the Parties hereby delegates to the
309 Company and its Directors, officers and employees, to the extent permitted by law, all of the
310 powers, privileges and immunities conferred by the Immunity Act.

311 5. The Company shall indemnify and defend the Directors and the Company's
312 employees as provided in the Immunity Act.

313 **N. Amendments**

314 1. As provided in this Paragraph N., this Organization Agreement may be amended
315 in any way that does not jeopardize or adversely affect any existing contracts, notes, bonds or
316 other evidence of indebtedness, provided that such amendment shall not subject any Party hereto
317 to any dues, assessments or liability without its consent.

318 2. The Board shall approve any proposed amendment to this Organization through a
319 resolution proposing the amendment to the governing bodies of the Parties for approval. The

320 resolution shall only be approved by an affirmative vote of five Directors voting by a Party Only
321 Vote as provided in Paragraph H 6. The voting shall be a Party Only Vote even if a Party does
322 not call for a Party Only Vote.

323 3. Upon approval of at least two of the three Parties' governing bodies, the
324 amendment shall become effective.

325 **O. Withdrawal from Organization Agreement**

326 A Party may withdraw from this Organization Agreement on the following terms and
327 conditions:

328 1. The withdrawing Party shall give the Company and the remaining Parties twelve
329 months written notice of the Party's intention to withdraw.

330 2. Within thirty days of receipt of the notice of withdrawal, the Board shall reject the
331 notice of withdrawal only if: (a) the Parties' withdrawal would adversely affect the Company's
332 contract rights and/or bond obligations, or (b) the withdrawal leaves only one remaining Party
333 and no Third Party will purchase the withdrawing Party's interest and the remaining Party does
334 not consent to the withdrawal.

335 3. If the Board accepts the notice of withdrawal, the remaining Parties or a Third
336 Party may purchase the interest of the withdrawing Party on the following terms:

337 a. Within sixty days of the Board's acceptance of the notice of withdrawal,
338 the remaining Parties would notify the withdrawing Party: (i) of the
339 remaining Parties' intent to purchase the withdrawing Party's interest or
340 (ii) of a Third Party's intent to purchase the withdrawing Party's interest.
341

342 b. The remaining Parties or the Third Party would pay the withdrawing Party
343 an amount equal to the withdrawing Party's Company Share times the
344 Company's net book value. For the purposes of this provision, net book
345 value would equal the Owner's Equity as reflected on the Company's

346 most recent audit report.

347

348 c. The remaining Parties or Third Party would pay the purchase price in
349 quarterly installments over a twenty year period. The purchase price
350 would accrue interest at a reasonable rate not greater than the rate paid by
351 the Utah State Treasury Pool during each year that a balance is due.

352

353 4. The withdrawing Party is prohibited from revoking or altering in any fashion the
354 franchise of the Company to provide electrical service to the withdrawing Party, its residents, or
355 the residents in the surrounding areas.

356 **P. Termination of Organization Agreement**

357 1. Except as provided in Paragraph P. 2 below, the Company shall cease to exist and
358 this Organization Agreement shall terminate 50 years after the date on which all Parties'
359 governing bodies have adopted a resolution approving this Organization Agreement.

360 2. If all the Parties agree, the Parties may terminate this Organization Agreement
361 and dissolve the Company after the later of:

362 a. five years after the Company has fully paid or otherwise discharged all of its
363 indebtedness;

364

365 b. five years after the Company has abandoned, decommissioned, or conveyed
366 or transferred all of its interest in its facilities and improvements; or

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368 c. five years after the Company's facilities and improvements are no longer
369 useful in providing the service, output, product, or other benefit of the
370 facilities and improvements, as determined under the agreement governing
371 the sale of the service, output, product, or other benefit.

372

373 **Q. Governing Law**

374 This Organization Agreement is made in the State of Utah, under the Constitution and
375 laws of this State and is to be construed pursuant to such laws.

376 **R. Severability**

377 Should any part, term, or provision of this Organization Agreement be held by the Courts
378 to be illegal or in conflict with any law of the State of Utah, or otherwise rendered unenforceable
379 or ineffectual, the validity of the remaining portions or provisions shall not be affected by such
380 ruling.

381 **S. Effective Date**

382 This Organization Agreement shall take effect upon approval of: (1) the Board as
383 provided in Article N. 2, and (2) two of the Parties governing bodies as provided in N. 3...

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**BYLAWS
OF
HEBER LIGHT & POWER COMPANY**

DEFINITIONS

The capitalized terms used in these Bylaws are defined in Exhibit A to the Bylaws.

ARTICLE I.
NAME AND ANCHOR LOCATION

The name of the Company is the Heber Light & Power Company and its Anchor Location is 31 South 100 West, Heber City, Utah 84032.

ARTICLE II.
ORGANIZATION AND OWNERS

The Company is an energy services interlocal entity created by Heber City, Midway City and Charleston, pursuant to the Utah Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953. Heber City owns a 75% interest in the Company; Midway City, a 12.5% interest; and Charleston Town, a 12.5% interest.

ARTICLE III.
ORGANIZATION AGREEMENT

The Heber Light & Power Company Organization Agreement provides the Company’s powers and authority and authorizes the Company’s Board of Directors to adopt bylaws. These Bylaws are adopted pursuant to the Organization Agreement and, to the extent that these Bylaws may be inconsistent with the Interlocal Act or Organization Agreement, the Interlocal Act and Organization Agreement shall govern. To the extent a matter of order or procedure is not addressed in the Interlocal Act, the Organization Agreement, or the Bylaws, the Board may follow Robert’s Rules of Order (current edition) or a temporary procedure approved by the Board for that Meeting, without amending these Bylaws.

ARTICLE IV.
BOARD OF DIRECTORS AUTHORITY

1. The Board shall manage and direct the affairs of the Company, and shall exercise on behalf of the Company all of the powers provided by the Organization Agreement, these Bylaws, and Utah law. The Board shall have all power and authority necessary to direct the management, administration and activity of the Company and may do all such acts and things that are not inconsistent with the Organization Agreement, these Bylaws or Utah law.

77 Director shall provide the Secretary with the Director’s designation of an interim emergency
78 successor as provided in the Utah Emergency Interim Succession Act, *Utah Code Ann.* §
79 53-2a-801, *et seq.*

80
81 ARTICLE VI.
82 DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

83 1. Director Duties. A Director shall be informed, proactive, and vigilant in his/her
84 oversight of the Company and its Management and the protection of the best interests of the
85 Company and its customers. Directors are expected to attend Board Meetings and meetings of
86 committees on which they serve, either in person or by conference telephone. Directors are also
87 expected to review all materials distributed prior to a Board Meeting and to spend sufficient time
88 preparing for each Meeting in order to be informed and properly discharge their responsibilities.
89

90 2. Standard of Care. In discharging his/her duties, a Director shall act in good faith
91 and exercise their business judgment in a manner that they reasonably believe is in the best
92 interests of the Company and its customers.

93 3. Reliance on Information Provided by Advisors. In discharging his/her duties, a
94 Director is entitled to rely on information, opinions, reports, or statements, including financial
95 statements and other financial data, if prepared or presented by the Company’s Management,
96 employees, consultants and advisors, to the extent that the Director reasonably believes such
97 persons and information are reliable and competent in the matters presented.

98 4. Management of Company’s Affairs. The Board manages the affairs of the
99 Company by assisting in the formulation of, reviewing, approving and monitoring major
100 Company actions and strategies with the assistance of the General Manager, including, but not
101 limited to, the following:

102 a) Strategic Plan. The Board shall approve a Strategic Plan that identifies the
103 Company’s strengths and risks, states the Company’s long-term objectives, and outlines
104 the means for achieving the objectives. Management is responsible for operating the
105 Company in a manner that furthers the plan’s objectives. The Board shall annually
106 review and update the Strategic Plan and periodically assess the Company’s progress in
107 implementing the plan.

108 b) Operating Policies. The Board shall annually review and approve the
109 Company’s Operating Policies. The Operating Policies direct the method by which
110 Management makes the estimates and computations found in the Annual Budget. These
111 policies also identify specific operational guidelines for implementation by Management
112 during the year.

113 c) Annual Goals. The Board shall annually approve the Company’s Annual
114 Goals which are an itemization of the tasks or activities that the Company plans to achieve
115 in the coming year. The General Manager shall, not less than semiannually, report to the
116 Board on the Company’s progress in completing the Company’s Annual Goals. In
117 addition, the Company’s Senior Staff shall report to the Board at Regular Board Meetings
118 on their department’s work during the prior month.

119 d) Annual Budget. The Board shall annually approve the Company's Annual
120 Budget which includes the Company's annual operating and capital budgets and which
121 estimates, for the coming year, the Company's revenues, expenditures, and capital
122 purchases required to implement the action items found in the Strategic Plan, the
123 Operating Policies, and the Annual Goals. The General Manager shall, at Regular Board
124 Meetings, provide statements showing on a monthly basis, the Company's actual revenue,
125 expenditures, and capital purchases as compared to the Annual Budget.

126 e) Management. The Board selects and evaluates the General Manager and
127 provides oversight to Management succession planning. The General Manager consults
128 with the Board on the selection of Senior Staff.

129 5. Committees.

130
131 a) General. By motion, the Board may establish one or more Board
132 committees to assist and advise the Board or Management. The motion creating a
133 committee shall state the committee's duties and responsibilities and shall require the
134 committee to make recommendations to the Board for action or to the Management where
135 no Board action is required. The Board shall select the Directors to serve on the
136 committee provided that at least one member of each Committee shall be a Director
137 representing an Owner. A committee shall have no authority to act on behalf of the
138 Board on any issue, unless the Board has expressly granted that authority
139

140 b) Executive Committee. The Heber Mayor, the Midway Director, and the
141 Charleston Director shall constitute the Executive Committee of the Board. The
142 Executive Committee shall meet, as needed, to address matters (i) that are referred to the
143 Executive Committee by the Board or Management, where no Board action is required,
144 (ii) that are of a preliminary nature and not ready for presentation to the full Board, or (iii)
145 that require Director involvement prior to a Board Meeting. The Executive Committee
146 shall report its proceedings to the Board and, as appropriate, make recommendations for
147 Board action.
148

149 c) Audit Committee. Each year, at a Board Meeting in October, the Board
150 shall establish an Audit Committee as provided in this Article VI § 5 c). The Heber
151 Mayor, Midway Director, the Charleston Director, and a representative selected by the
152 County Director shall constitute the Audit Committee. The Audit Committee's authority
153 and responsibilities shall include: (i) retaining an audit firm to conduct the Company's
154 annual audit, (ii) assisting and advising the Board in the oversight of the Company's
155 financial reporting process, internal controls, and audit, (iii) making recommendations to
156 the Board concerning these processes and controls, and (iv) exercising such other
157 authority or performing such other responsibilities as directed by the Board.
158

159 d) Advisory Committees. The Board's Human Resource Committee shall
160 consult with Management concerning matters related to human resources including
161 policies, recruitment, and benefits. The Board's Facilities/Capital Improvements
162 Committee shall consult with Management regarding the Company's facilities and capital
163 improvement planning including selection and funding of projects. At the first Board

164 Meeting of each calendar year, the Board shall select not more than three Directors to
165 serve on each of these Committees. The Board may assign these committees additional
166 duties and responsibilities. These committees shall report to the Board and, as
167 appropriate, make recommendations for action by the Board.

168
169 ARTICLE VII.
170 GENERAL MANAGER
171

172 The General Manager shall conduct and supervise the Company's day-to-day business
173 operations, subject to the Board's supervision and direction as provided in the Strategic Plan,
174 Operating Policies, Annual Goals, and Annual Budget. The General Manager is the Company's
175 chief executive officer and shall have the authority and responsibility for such general
176 management activities as are consistent with the responsibilities of a chief executive officer or
177 corporate president. The General Manager shall have full authority to transact any and all
178 business pertaining to the affairs of the Company and to make and sign, on the Company's behalf,
179 all contracts reasonably necessary in the ordinary course of the Company's business. The
180 General Manager may exercise this authority through Senior Staff or other employees.

181 ARTICLE VIII.
182 ADOPTION OF ANNUAL BUDGET
183

184 1. Tentative Annual Budget. The General Manager, with the assistance of Senior
185 Staff, shall prepare a tentative Annual Budget and present it to the Board at the regularly
186 scheduled Board Meeting in November. The Board shall set the time and place for a public
187 hearing to adopt the final Annual Budget.

188
189 2. Public Hearing. At least ten days prior to the adoption of the final Annual
190 Budget, Management shall: (a) make the tentative Annual Budget and approved Operating
191 Policies available for public inspection at the Company's business office and (b) shall post the
192 tentative Annual Budget and approved Operating Policies on the Utah Public Notice Website.
193 Management shall also publish notice of the public hearing in a newspaper of general circulation
194 in the Company's service area and on the Utah Public Notice Website at least seven days prior to
195 the hearing.

196
197 3. Adoption. Following the public hearing, the Board may make adjustments to the
198 tentative Annual Budget. The Board shall adopt the final Annual Budget by motion. The final
199 Annual Budget shall be in effect for the budget period, subject to later amendment. Within thirty
200 days of its adoption, Management shall file the final Annual Budget with the State Auditor.

201
202 4. Amendment. At any time during the budget period, the Board may, by motion,
203 amend the Annual Budget to account for unanticipated expenditures or revenues. At the end of
204 the budget period and following completion of the audit for that period, the Board shall, by
205 motion, amend the Annual Budget to reflect the adjustments made in the audit. In amending the
206 Annual Budget, the Board shall provide notice and a public hearing as provided in Sections 1 and
207 2 of this Article.

208 ARTICLE IX.

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APPROVAL OF RATE SCHEDULE
AND CONDITIONS OF SERVICE

1. The Board shall, by motion, approve the Company’s rate schedule and conditions of service before they are implemented.
2. Before approving a rate increase, the Board shall hold a public hearing to take public comment on the proposed increase. At least 20 days’ and not more than 60 days’ advance written notice of the proposed increase and public hearing shall be provided to customers on the ordinary billing and on the Utah Public Notice Website.
3. The schedule of rates and conditions of service shall be filed with the Public Service Commission for public inspection as required by *Utah Code Ann.* § 11-13-204(7)(c)(vi).

ARTICLE X.
ETHICAL DUTIES OF DIRECTOR AND MANAGEMENT

A Director shall comply with the applicable requirements of the Municipal Officers’ and Employees’ Ethics Act, *Utah Code Ann.* § 10-3-1301, *et seq.*, the County Officers’ and Employees’ Disclosure Act, *Utah Code Ann.* § 17-16a-1, *et seq.*, the Utah Public Officers’ and Employees’ Ethics Act, *Utah Code Ann.* § 67-16-1, *et seq.*, and the Company’s Code of Business Conduct. The Company’s General Counsel shall annually review with the Board and Management the requirements of these statutes and the code.

ARTICLE XI.
BOARD OF DIRECTOR COMPENSATION AND EXPENSES

1. Compensation. As provided in this Article XI, the Board shall annually set reasonable compensation for Directors’ work performed as a Director on behalf of the Company. In setting compensation, the Board shall set compensation that fosters an engaged, prepared, hard-working Board and should consider a variety of factors including: (a) the nature and complexity of the Company’s business, (b) time spent in and outside of Board Meetings on Board business, (c) cost of living adjustments, and (d) compensation of other comparable boards.
2. Procedure. The Company’s Annual Budget shall include a line item for Director compensation for the coming year. Notice of the public hearing on the Annual Budget shall be given as provided in Article VIII.
3. Expense Reimbursement. The Company shall reimburse Directors for travel and other expenses necessarily incurred in the conduct of the Company’s business, in the same manner and rate as employees are reimbursed for such expenses.

ARTICLE XII.
BOARD OF DIRECTORS MEETINGS
AGENDA

1. Preparation of Agenda. Except as provided in Article XII § 2, the Chair, in

251 consultation with the General Manager, shall determine the topics to be included on an agenda for
252 consideration at a Meeting of the Board of Directors. The agenda shall provide reasonable
253 specificity to notify the Directors and the public of the topics to be considered at the Board
254 Meeting.

255 2. Additional Agenda Topics. Two Directors, representing the Owners, may direct
256 the Secretary, in writing, to include a topic on an agenda provided that the Secretary has
257 reasonable time within which to satisfy the notice requirements of Article XIII § 2.

258 3. Topics Considered.

259 a) Except as provided in Section 3. b) of this Article, the Board shall consider
260 at a Board Meeting only topics properly listed on an agenda (i) that has been included in a
261 public notice under Article XIII § 2, and (ii) that has been provided to the Directors not
262 less than twenty-four (24) hours prior to the Board Meeting.

263 b) The Chair has the discretion to allow a topic not on the agenda to be
264 discussed in an open Board Meeting. The Board however may not take final action on
265 the topic until the matter is included on an agenda included in a public notice under Article
266 XIV.

267 ARTICLE XIII.
268 BOARD OF DIRECTOR MEETINGS
269 PUBLIC NOTICE

270 1. Annual Schedule of Regular Board Meetings.

271 a) At a Board Meeting in December, the Board shall establish the schedule of
272 the time, date and place of its Regular Board Meetings for the next twelve (12) months.
273 If a new schedule is not established, the previous year's schedule of Regular Board
274 Meetings shall remain in effect and Regular Board Meetings shall be held on the same day
275 of the month as in the previous year, until the schedule is modified by the Board.

276 b) In December of each year, the Secretary, on behalf of the Board, shall
277 provide public notice of the annual schedule of Regular Board Meetings including the
278 time, date and place of the Meeting by: (i) posting the schedule at the Company's
279 Anchor Location, (ii) posting the schedule on the Utah Public Notice Website, and (iii)
280 publishing the notice in a newspaper of general circulation within the Company's service
281 area.
282
283

284 2. Notice of Regular and Special Board Meetings.

285 a) Not less than twenty-four (24) hours prior to a Regular Board Meeting or a
286 Special Board Meeting, the Secretary, on behalf of the Board, shall give public notice of
287 the Board Meeting by: (i) posting written notice at the Company's Anchor Location, (ii)
288 posting the notice on the Utah Public Notice Website, and (iii) delivering the notice to a
289

290 newspaper of general circulation within the Company's service area.

291 b) The public notice shall state: (i) the date, time and place of the Regular or
292 Special Board Meeting, and (ii) the Meeting agenda providing reasonable specificity to
293 notify the public as to the topics to be considered at the Meeting.

294 3. Public Notice of Emergency Board Meeting. The Board shall only be required to
295 provide the public with the best notice practicable of the time, place and agenda of an Emergency
296 Board Meeting but shall not be required, unless practical, to provide the public notice described in
297 this Article XIII.

298 ARTICLE XIV.
299 BOARD OF DIRECTOR MEETINGS
300 CONVENING OF REGULAR, SPECIAL AND EMERGENCY BOARD MEETINGS

301 1. Regular Board Meetings.

302 a) Regular Board Meetings shall be held monthly at the date, time and place
303 established by the Board in the annual schedule of Regular Board Meetings.

304 b) The Chair may cancel, postpone, re-schedule, or re-locate Regular Board
305 Meetings by giving each Director reasonable notice and by providing the notice required
306 in Article XIII § 2.

307 c) The Secretary shall, not later than twenty-four (24) hours prior to a Regular
308 Board Meeting, provide the Directors with an agenda, minutes of the prior Meeting,
309 monthly financial information, warrants, and other materials. At the time the Secretary
310 provides the materials to the Directors, he/she shall also post the materials (that are public
311 records and not protected from disclosure) on the Utah Public Notice Website.

312 d) Failure to hold a Regular Board Meeting shall not affect the validity of
313 any otherwise valid action taken by the Board.

314
315 2. Special Board Meetings.

316 a) The Chair in consultation with the General Manager may call a Special
317 Board Meeting at any time. The Chair shall call a Special Board Meeting upon receipt of
318 a written request of two Directors, representing Owners.

319 b) The Secretary shall provide each Director with written notice of the date,
320 time and place of and agenda for the Special Board Meeting and any written materials.
321 Such notice shall be provided not less than twenty-four (24) hours prior to the Special
322 Board Meeting. At the time the Secretary provides the materials to the Directors, he/she
323 shall also post the materials (that are public records and not protected from disclosure) on
324 the Utah Public Notice Website.

325 3. Emergency Board Meetings.

326 a) As provided in this section, the Board may hold an Emergency Board
327 Meeting that, because of unforeseen circumstances, is necessary to permit the Board to
328 consider matters of an emergency or urgent nature.

329 b) The Board may hold an Emergency Board Meeting only if:

330 i) the Meeting is necessary to permit the Board to consider matters of
331 an emergency or urgent nature,

332 ii) an attempt has been made to notify all Directors of the date, time
333 and place of the Meeting and the topics to be considered, and

334 iii) a majority of the Directors approve the Meeting by notifying the
335 Chair, General Manager or Secretary in person or electronically.

336 4. Rules Applicable to All Board Meetings.

337 a) Any Director may waive in writing any notice to a Director of a Meeting
338 required to be given by these Bylaws or other applicable law, or any defect of such notice,
339 if any. The attendance of a Director at any Meeting shall constitute a waiver of notice of
340 the Meeting by the Director, except when a Director attends a Meeting for the express
341 purpose of objecting to the transaction of any business on the ground that the Meeting has
342 not been lawfully called, noticed, or convened.

343 b) A Meeting of the Board may be continued to another date and time upon
344 motion provided that a Quorum is present.

345 ARTICLE XV.
346 BOARD OF DIRECTORS MEETINGS
347 PUBLIC/CLOSED MEETINGS

348 1. Public Meetings. Board Meetings are open to the public unless closed as
349 provided in this Article XV.

350
351 2. Motion to Close Meeting. On a motion of a Director, the Board may close a
352 Meeting to the public if: (i) a Quorum is present, (ii) the Meeting is a Meeting for which proper
353 notice has been given, (iii) the motion states reasons for closing the Meeting, and (iii) two-thirds
354 of the Directors present vote to close the Meeting for one or more of the reasons listed in Article
355 XV § 5. If the Directors approve the motion, the Chair shall, to the extent not apparent from the
356 motion and vote, publicly announce and cause to be entered on the minutes of the open Meeting
357 (i) the reason or reasons for closing the Meeting, (ii) the location of the closed Meeting, and (iii)
358 the vote by each Director, either for or against the motion to close the Meeting.

359
360 3. Recording of Closed Meeting.

361
362 a) Except as provided in Article XV § 3. b), the Secretary shall make a
363 complete and unedited recording of the closed portion of a Meeting from the

364 commencement of the closed Meeting through adjournment of the closed Meeting. The
365 recording of a closed Meeting shall include: (i) the date, time, and place of the Meeting,
366 (ii) the names of Directors present and absent, and (iii) the names of all others present
367 except where the disclosure would infringe on the confidentiality necessary to fulfill the
368 original purpose of closing the Meeting.

369
370 b) The Secretary shall not make a recording of a Meeting closed for the
371 reasons set forth in Article XV § 5 a), b), and l).

372
373 4. Matters Considered in Closed Meetings. In a closed Meeting, the Board shall
374 discuss or consider only matters related to the reasons for closing the Meeting found in Article
375 XV § 5 and listed in the motion, and shall not take action or vote on any matter, until the Board
376 returns to a public Meeting.

377
378 5. Reasons for Closed Meetings. The Board may close a Meeting for the following
379 reasons:

380
381 a) discussion of the character, professional competence, or physical or mental
382 health of an individual including information describing medical history, diagnosis,
383 condition, treatment, evaluation, or similar medical data,

384
385 b) consideration of information concerning a current or former employee of,
386 or applicant for employment, including performance evaluations and personal status
387 information such as race, religion, or disabilities, but not including information that is
388 public under *Utah Code Ann.* §§ 63G-2-301(2)(b) or 63G-2-301(3)(o),

389
390 c) strategy sessions to discuss contract or settlement negotiations,

391
392 d) strategy sessions to discuss pending or reasonably imminent litigation,

393
394 e) discussion of reports or information prepared for or by an attorney,
395 consultant, surety, indemnitor, insurer, employee, or agent of the Company for, or in
396 anticipation of, litigation or a judicial, quasi-judicial, or administrative proceeding,

397
398 f) strategy sessions to discuss the sale, purchase, exchange, or lease of real or
399 personal property, including any form of a commodity, water right or water shares,

400
401 g) strategy sessions to discuss pending or proposed civil or criminal
402 investigation, enforcement or discipline,

403
404 h) consideration of an ongoing or planned audit until the final audit is
405 released,

406
407 i) discussions that concern legal advice and that are subject to the attorney
408 client privilege,

455
456 4. Quorum. Four (4) Directors shall constitute a Quorum of the Board for the
457 purpose of conducting the business of the Company and exercising its powers and for all other
458 purposes. When a Quorum is in attendance, action may be taken by the Board upon a motion,
459 duly seconded and a vote of the majority of the Directors present, except for an Owner Only Vote
460 as provided in the Organization Agreement, Paragraph H. 5 and this Article XVI.

461
462 5. Owner Only Vote.

463
464 a) Director Voting. A Director representing an Owner may call for an
465 Owner Only Vote on any issue. In such case, votes shall be cast on the issue, for which
466 the vote was called, only by Heber's three Directors, Charleston's one Director and
467 Midway's one Director, or those Director's respective Designees. No other Director
468 may vote.

469
470 b) Quorum. An Owner Only Vote shall only occur when Heber's three
471 Directors, Charleston's one Director and Midway's one Director, or their respective
472 Designees are all present. If all of these Directors or their respective Designees are not
473 present, then an Owner Only Vote on the issue for which the vote was called shall be
474 continued until a Meeting where Heber's three Directors, Charleston's one Director and
475 Midway's one Director, or these Directors' respective Designees, are all present.

476
477 c) Weighted Vote. In the event of an Owner Only Vote, Directors votes will
478 be weighted as follow: (a) the votes of the Heber Directors or Designees shall each have a
479 25% weight, (b) the vote of the Midway Director or Designees shall have a 12.5% weight,
480 and (c) the vote of the Charleston Director or Designee shall have a 12.5% weight. In the
481 event of an Owner Only Vote, the Board shall act based upon a greater than 50% vote,
482 except as otherwise provided in the Organization Agreement.

483
484 d) In the event of an Owner Only Vote, Alternates shall not vote nor be
485 counted in determining the presence of a Quorum under this Article XVI.

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491 ARTICLE XVII.
492 BOARD OF DIRECTORS MEETINGS
493 MINUTES
494

495 1. The Secretary shall keep written minutes and a recording of all open portions of a
496 Board Meeting.

497
498 2. The written minutes shall include: (a) the date, time and place of the Meeting, (b)
499 the names of the Directors present and absent, (c) the substance of all matters proposed,
500 discussed, or decided by the Board, (d) a record, by individual Director, of each vote taken by the
501 Board, (e) the name of any individuals present, (f) the names of individuals who provide

502 testimony or comments to the Board and the substance of the testimony or comments, (g) any
503 other information that the Board requests to be entered in the minutes, and (h) an electronic or
504 hard copy of any written information presented during the Board meeting.

505
506 3. The recording shall be a complete and unedited record of all open portions of the
507 Meeting from the commencement of the Meeting through adjournment of the Meeting, and shall
508 be properly labeled or identified with the date, time, and place of the Meeting.

509
510 4. The Secretary shall provide the written minutes to the Board for approval at the
511 following Regular Board Meeting. After Board approval, the minutes with any amendments
512 shall be the official record of the action taken at the Meeting.

513
514 5. The written minutes and the recording of the Board Meeting are public records
515 under Title 63G, Chapter 2, Government Records Access and Management Act (GRAMA) and
516 shall be available to the public within a reasonable time after the end of the Meeting. Written
517 minutes awaiting approval by the Board shall be clearly identified as “Draft” and are subject to
518 change until formally approved.

519
520 6. The written minutes shall be retained in a format that meets long-term records
521 storage requirements. The recording shall be retained for one year from the date of the Meeting.

522
523 7. A recording of a Board Meeting is not required if the Meeting is a site visit, a
524 traveling tour, or if no vote or action is taken by the Board.

525

ARTICLE XVIII.

ELECTRONIC MEETINGS, NOTICE, AND RECORDS

526

527 1. Electronic Meetings.

528

529
530 a) Director Participation. A Director may participate in a Meeting by
531 electronic means as provided in this Article XVII § 1. A Director participating in a
532 Meeting by electronic means is deemed present at the Meeting for all purposes including
533 for the purpose of establishing a Quorum.

534

535
536 b) Request to Participate Electronically. A Director may participate in a
537 Meeting electronically by requesting that the General Manager or Secretary provide
538 facilities to permit electronic participation. The request shall include a telephone number
539 at which the Director can be reached at the time of the Meeting. The Director is solely
540 responsible for being present and available at the telephone number provided at the time
541 of the Meeting.

542

543 c) Facilities at Anchor Location. At the Anchor Location, the Company
544 shall provide space and facilities to permit the public to attend and monitor the open
545 portions of the Meeting and to make public comments if public comments are accepted
546 during the electronic Meeting.

547

548 2. Notice. If these Bylaws require written communication or notice, properly

549 addressed electronic mail or facsimile shall satisfy the requirement.

550

551 3. Records. If these Bylaws require the preservation of written records, the
552 requirement may be satisfied by maintaining electronic copies of the records, provided that the
553 records are complete, legible, indexed, duplicated on a separate server and preserved in a manner
554 consistent with long-term records storage requirements.

555

556 ARTICLE XIX
557 AGENT FOR SERVICE OF PROCESS

558

559 The Secretary is the designated agent to receive service of process or a notice of claim on
560 behalf of the Company. As provided in *Utah Code Ann.* § 63G-7-401, Management shall file a
561 statement with the Department of Corporations and Commercial Code and shall update the
562 statement as necessary to identify the name of the individual designated to receive service of
563 process or a notice of claim.

564

565 Approved by:

566 The Board of Directors of the Heber Light & Power Company on this ___ day of _____, 2012,

567

568 _____
569 _____
570 Board Chair

571

572 Attested

573 _____
574 _____
575 Board Secretary

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Exhibit A

DEFINITIONS

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1. “Alternate” means a councilperson designated as an alternate to serve temporarily as a Director as provided in Article V § 4. The term “Alternate” does not include a Designee.
2. “Anchor Location” means the address listed in Article II or one or more physical locations: (a) at which the participants are connected to an electronic Meeting under Article XVIII, and (b) which is in the building and political subdivision where the Company would normally meet if it were not holding an electronic Meeting.
3. “Annual Budget” is defined in Article VI § 4.d.
4. “Annual Goals” is defined in Article VI § 4.c.
5. “Bylaws” means these Bylaws of the Heber Light & Power Company.
6. “Board” or “Board of Directors” means the governing body of the Company as provided in Paragraph H of the Organization Agreement.
7. “Board Meeting” or “Meeting” means a Regular Board Meeting, a Special Board Meeting, and/or an Emergency Board Meeting.
8. “Chair” is defined in Article V § 1. a.
9. “Chairperson” is defined in Article V § 1. e.
10. “Charleston” means Charleston Town, Utah.
11. “Company” means Heber Light & Power Company, a Utah energy services interlocal entity formed by Heber, Midway, and Charleston pursuant to the Interlocal Act and Organization Agreement.
12. “Designee” is defined in Article V § 1. An Alternate is not a Designee.
13. “Director” or “Directors” mean the members of the Board appointed pursuant to Paragraph H of the Organization Agreement.
14. “Emergency Board Meeting” means a Board Meeting held to consider matters of an emergency or urgent nature.
15. “General Manager” means the person employed by the Company as the chief executive officer as described in Article VIII.
16. “Heber” means Heber City, Utah.
17. “Interlocal Act” means the Interlocal Cooperation Act, Title 11, Chapter 13, Utah

609 Code Annotated 1953, as it may be amended from time to time.

610 18. "Management" means the Company's General Manager and Senior Staff, acting
611 under the General Manager's direction.

612 19. "Midway" means Midway City, Utah.

613 20. "Operating Policies" means the Resolution of the Board of Directors of Heber
614 Light & Power - Annual Fiscal Year Operating Policies as described in Article VII § 4. b).

615 21. "Organization Agreement" shall mean the Heber Light & Power Company
616 Organization Agreement, dated September 9, 2002, as it may be amended from time to time.

617 22. "Owner Only Vote" means a Party Only Vote of the Board as provided in
618 Paragraph H. 6. of the Organization Agreement.

619 23. "Owner" or "Owners" means Heber, Midway, or Charleston.

620 24. "Quorum" is defined in Article XVI §§ 4 and 5.

621 25. "Regular Board Meeting" means the monthly Meetings of the Board scheduled,
622 in advance over the course of a year, on a fixed time, date and place.

623 26. "Secretary" means the person that the Board appoints as Secretary of the Board.

624 27. "Senior Staff" means the Company's Chief Financial Officer, Distribution
625 Operations Manager, General Counsel, Generation Manager, and IT/Substations Manager.

626 28. "Special Board Meeting" means a Board Meeting held on an as needed basis to
627 consider topics that are not conveniently considered in a Regular Meeting.

628 29. "Strategic Plan" is defined in Article VI § 4.a.

629

Heber Light & Power
Rate Increase/Modification Initiative
Public Communications Plan

Date	Time	Required	Entity	Purpose	Location
April 30 th	NA		Wasatch WAVE	Press Release – Public Announcement	NA
April 30 th	NA	X	Wasatch WAVE	Legal Notice Posting	NA
April 30 th	8 AM	X	HL&P	Public Information – Office Documents	31 S 100 W Heber City
April 30 th	NA	X	HL&P Website	Public Information	Website: www.heberpower.com
April 30 th	NA	X	Utah State Website	Public Information	Website:
?	7 PM		Charleston Town	Charleston Town Council - Information	3454 W 3400 S Charleston
June 2 nd	5:30 PM		Daniels Town	Daniels Town Council - Information	55 S 500E Rm 126 Heber City
May 21 th	4 PM		Wasatch County	Council Chambers - Information	Council Chambers 25 N Main Heber City
May 14 th	12 Noon		Rotary	Public Information	Snake Creek Grill 650 W 100 S Heber City
May 14 th	6 PM		HL&P	Public Open House - Information	Board Room -31 S 100 West Heber City
May 15 th	6 PM		Heber City Council	Council Chambers - Information	75 N Main St. Heber City
May 20 th	12 Noon		Chamber	Public Information	UVU Campus
May 22 th	6 PM		HL&P	Public Open House - Information	Board Room -31 S 100 West Heber City
May 28 th	7 PM		Midway City	Midway City Council - Information	75 N 100 W Midway City
May 29 th	6 PM	X	HL&P	Public Hearing	Heber City Council 75 N Main Heber City
On - Request	TBD		Independence	Public Information	TBD
On - Request	TBD		Other Organizations	Public Information	TBD
TBD	TBD		Delta Stone 1.7%LF	Business account impact	
TBD	TBD		Staker Parsons (1) 19.7% LF Staker Parsons (2) 24.9% LF	Business account impact	
TBD	TBD		Wasatch High (North) 28.7% LF Wasatch High (South) 37.9% LF Wasatch Middle School 50.7% LF	Business account impact	
TBD	TBD		Heber Valley Medical 53.2% LF	Business account impact	
TBD	TBD		Zermatt Resort 71.6% LF	Business account impact	
TBD	TBD		Wal-Mart 75.4 %	Business account impact	
TBD	TBD		Smith's 75.6% LF	Business account impact	
TBD	TBD		D Brothers 76.4% LF	Business account impact	

NA – Not Applicable TBD – To Be Determined