

**POLICY GOVERNING
COMMITTEES AND REPRESENTATIVES,
NATIONAL ASSOCIATION OF
REGULATORY UTILITY COMMISSIONERS**

(As Amended March 8, 2000, November 11, 2001 and February 16, 2005, November 15, 2006)

**General Exercise of
Presidential Appointment Authority**

Section 1. The President in the exercise of appointive authority with respect to committees, subcommittees and representatives shall seek to enlarge and equalize participation by the active members to the maximum extent practicable.

Committees and Subcommittees

Section 2. Appointments; Removal. The President shall appoint members to committees, subcommittees, and staff subcommittees and shall give due consideration to regional balance, to active participation in the Association and its regional affiliates, and to availability and willingness to participate in the work of the committee or subcommittee. In making appointments, the President shall consider the ability of all committees to perform their responsibilities. At some point, a committee may become too large to function effectively. So, too, each committee needs a minimum number of members, depending on its mission, to carry out its responsibilities to NARUC and its members. Appointees who attend less than one-half of the duly called meetings of the committee or subcommittee during the Association year shall be subject to removal by the President; in determining whether to remove a committee or subcommittee member, the President may, for good cause shown, choose not to remove a member based upon active participation in committee or subcommittee activities by means other than meeting attendance. The chair of each committee and subcommittee shall recommend to the President elected at each convention the appointment of new members to strengthen the expertise of the committee and subcommittee, and shall recommend against the reappointment of inactive members.

Section 3. Notification Procedures for Committee Appointments. A NARUC Commissioner who wishes to either (1) change his or her existing committee assignment, or (2) receive an initial appointment to a committee, shall send a letter to the President requesting consideration for service on the target committee. Copies of the letter must also be sent to the chair of the target committee and NARUC's Executive Director.

Section 4. Service and Terms. No commissioner shall serve on more than one of the standing committees, other than the Board of Directors, the Committee on International Relations, the Committee on Consumer Affairs, and the Committee on Critical Infrastructure, which may include, at the discretion of the President, members from other standing committees. The Chair of the supervising committee shall appoint each staff subcommittee member provided that the member to be appointed has been sponsored by a commissioner of the member's commission. Service by more than one commissioner or staff member of a commission on the same committee or subcommittee shall be discouraged. Staff members may serve on more than one subcommittee. Commissioners and staff members may be annually reappointed to the same committees and subcommittees for as long as they remain in the membership of the Association and desire reappointment. The Board of Directors or the President may limit the size of ad hoc committees and subcommittees as appropriate.

Section 5. Observers. Commissioners who are associate members of the Association when appointed to committees and non-members of the Association when appointed to staff subcommittees shall be designated as "observers". All international associate members shall have Observer status on the Committee on International Relations. Observers shall have all rights of participation, but shall not be entitled to vote.

Section 6. Voting. No State or Federal commission shall cast more than one vote on an issue before a committee or subcommittee, and where there is plural membership from a State or Federal commission the vote shall be divided equally among its members present. No proxy voting shall be permitted.

Section 7. Quorum. One third of the members of each committee and subcommittee shall constitute a quorum; provided, however, that in no case shall a quorum be less than two members.

Section 8. Alternative Board of Directors Voting Process. In the event a matter requires action by the Board of Directors prior to its next regularly scheduled meeting, the Executive Director shall conduct the alternative voting process described in this section when directed to do so by the President, the Chair of the Board of Directors, a majority of the members of the Executive Committee or a petition submitted with the signatures of a majority of the members of the Board of Directors.

The alternative voting process shall include a teleconference of the Board of Directors to debate the matter at issue followed by a mail or facsimile ballot. By a majority vote of the Executive Committee, the prenotification or written ballot procedures of this section may be waived if the matter is deemed to be of great urgency.

The Executive Director shall provide no less than ten business days' written notice to each member of the Board of Directors of the time and date of the conference call. The notice shall include an agenda for the call and a specific statement of the matter to be considered. Notice of the impending vote and the issue(s) to be voted on shall be provided to all commissions simultaneously with the notice to Board of Directors members. If a majority of the members of the Board notify the Executive Director that they will not be available, the conference call shall be rescheduled. At the beginning of the call, the Executive Director shall take roll to determine if a quorum (as prescribed by section 7) is present. Only the matter or issue described in the notice may be debated.

Immediately following the call, the Executive Director shall distribute a summary of the conference call and a ballot to each member of the Board of Directors no less than ten business days before the return date. The vote shall not be valid unless the Executive Director receives signed ballots from a quorum of the Board of Directors (as prescribed by section 7) by mail or facsimile on or before the return date. Ballots received by the Executive Director after the return date shall not be counted. Immediately following the close of balloting, the Executive Director shall prepare a summary of the Board of Directors' action which shall be distributed to all Board members, published in the NARUC Bulletin, and attached to the agenda of the next regularly scheduled Board of Directors' meeting.

Section 9. Ad Hoc Committees. With respect to subjects not wholly within the jurisdiction of a standing committee, ad hoc committees may be established for initial terms of one year or less by the convention, the Board of Directors or the President, and may be continued thereafter if annually renewed by the Board of Directors.

Section 10. Commissioners' Subcommittees. The committees may establish and abolish subcommittees of their members upon notification to the Board of Directors.

Section 11. Staff Task Forces. The staff subcommittees may establish and abolish task forces of their members upon notification to their supervising committees and the Board of Directors.

Section 12. Committee Chair. The chair of a committee shall be appointed by the President for a one year term and may be reappointed for a maximum of three consecutive terms.

Section 13. Vice Chair. The appointment of a vice chair for a committee or subcommittee shall be at the option of the President, after consultation with chair of the committee, and the making of such an appointment shall not create a presumption that the incumbent shall later succeed to the chair.

Section 14. Meetings. Committees and subcommittees are encouraged to meet in conjunction with the convention, winter and summer meetings of the Board of Directors. If a standing or ad hoc committee or subcommittee has failed to hold at least two meetings during the preceding Association year, the President shall consider replacing the committee or subcommittee chair, or recommending the consolidation or abolishment of the ad hoc committee or subcommittee to the Board of Directors.

Section 15. Meeting Registration Fees. Each committee and subcommittee is encouraged to collect, as necessary, registration fees from their members for the purchase of coffee and other refreshments, rental of meeting rooms and the payment of other incidental expenses.

Section 16. Statements of Purpose. Each subcommittee shall prepare and maintain in current form a statement of its purpose, subject to the approval of its supervising committee and the Board of Directors, and each committee shall prepare and maintain in current form a statement of its purpose, subject to the approval of the Board of Directors.

Section 17. Committee Supervision. The Board of Directors shall exercise general supervision and policy direction over the other standing and ad hoc committees and they, in turn, shall exercise consistent supervision and policy direction over their subcommittees. Each committee shall annually review the functioning of its subcommittee structure and, where it is found deficient, it shall recommend the appointment of a new subcommittee chair or the consolidation or abolishment of the subcommittee.

Section 18. Policy Formulation. The policy positions of the Association, whether reflected by resolutions or otherwise, shall only be adopted by the membership assembled in the annual conventions or by the Board of Directors, with the former taking precedence over the latter. The role of the other committees in policy formulation is restricted to recommending positions for consideration by the conventions and the Board of Directors.

Section 19. Annual Study Program. Each committee and subcommittee shall select and complete each year at least one new study project to increase the knowledge of the regulatory community on a subject within the jurisdiction of the committee and the subcommittee. The President and the Vice Presidents, after consultation with the committee chairs, shall present for approval to the Board of Directors at each convention meeting a proposed study program to be completed by all committees and subcommittees for the ensuing Association year.

Section 20. Annual Reports. Each committee and subcommittee shall prepare a report on its activities and recommendations to each convention and shall file two copies of it with the Executive Director at least sixty days before the convention to permit temporary posting to

NARUC's homepage. The Board of Directors will determine the methodology and format for further publication of the annual convention proceedings.

Section 21. Active Committee Policy. Each committee shall have completed at least one project to increase the knowledge of the regulatory community and shall have held at least three meetings during the year.

Section 22. Coordination of Policy Resolutions. In order to provide the NARUC membership with notice of the subject of policy resolutions that will come before the Board of Directors, not later than Thursday that is more than one week prior to the start of either the Winter, Summer or Convention meetings, each committee that anticipates recommending policy resolutions for the Board's consideration shall forward a copy of each such resolution, except for resolutions commemorating the service of an individual, to the NARUC Washington Office. Such resolutions shall immediately be posted by the NARUC staff on the NARUC website, to be followed by staff's distribution of an email to each State commissioner listing the proposed resolutions with a link to their location on the website. If a proposed resolution that was not listed is offered for the Board's consideration, and a member of the Board raises a point of order, such resolution may only be adopted upon a vote of three-fourths of the Board members in attendance.

Representatives

Section 23. Federal-State Joint Boards. The State members of Federal-State Joint Boards established by the Federal Communications Commission shall be nominated by the President or the Board of Directors and, if by the President, the nomination, prior to submission to the FCC, shall be subject to confirmation or rejection within fifteen days by the Board of Directors at a meeting or by the casting of mailed ballots by its members, issued by and returnable to the Executive Director of the Association. A State member so nominated shall serve a three-year term from the date of appointment by the FCC, and no State member shall serve for more than two consecutive terms on a Joint Board. Initial terms for the four State members shall be staggered for one, two and three years, with two members receiving three year terms, and with the partial terms of the other two members not being considered in the calculation of the two consecutive term maximum. Nominations shall generally be made from the membership of the Committee on Communications.

Section 24. Staff Committees of Federal-State Joint Boards. State members of staff committees for Federal-State Joint Boards shall be appointed by the President, except that each State member of a Joint Board shall be entitled to designate one staff member. The President will appoint the 4 staff members (Commissioners Staff) selected by each State Joint Board member. The President will consult with the State members of the Joint Board before making the other 7 staff appointments (At-Large Staff). Commissioner Staff may serve until either (1) their sponsoring commissioner leaves the board or (2) their sponsoring commissioner wishes to replace them. At-Large Staff serve three or four year terms which shall be specified in their appointment letters and referenced in NARUC's Membership Directory. The President should try to stagger at-large term appointments. Once their term ends, At-Large Staff may remain in service on the Board until (1) the NARUC President appoints a replacement or (2) the NARUC President reappoints them to the Board. The formal Joint Board staff for each Joint Board shall be limited to 12 members consisting of 4 Commissioner members, the 7 At-Large members, and a member of NARUC staff. Appointment of additional members is discouraged. However, when particular expertise or participation by other staff is required, and the State employing that staff will fund all

expenses associated with that staff's participation, the State members can request the NARUC President appoint additional staff. Such staff will be designated "Limited Appointment Staff" in both their appointment letters and the NARUC Directory. The terms for such staff will be limited to one year. In the absence of a reappointment letter, their service ends.

Section 25. EPRI and GTI Advisory Councils. The State members of the Advisory Councils to the Board of Directors of the Electric Power Research Institute (EPRI) and the Gas Technology Institute (GTI) shall be appointed by the President for three year terms, with no State member serving for more than two consecutive terms. Appointments for the EPRI Advisory Council shall generally be made from the membership of the Committees on Electricity and Energy Resources and the Environment. Appointments for the GTI Advisory Council shall generally be made from the membership of the Committees on Gas and Energy Resources and the Environment.

Section 26. Other Representatives. Other representatives of the Association shall be appointed or nominated, as the case may be, by the Board of Directors or the President. Previous appointments of unspecified length shall be deemed to terminate in one year, and the appointee shall thereafter be subject to reappointment.

Section 27. Attendance. Representatives who attend less than one-half of the duly called meetings of the organization to which appointed during the Association year shall be subject to removal by the President.

Selection of Officers

Section 28. Regional Rotation. Beginning with the election of NARUC Officers in November 2000, the NARUC Second Vice President shall be chosen from the Association's regional affiliates on the following schedule:

2000 – Mid-America Regulatory Commissioners (MARC)

2001 – Southeastern Association of Regulatory Utility Commissioners (SEARUC)

2002 – Western Conference of Public Service Commissioners (WCPSC)

2003 – MARC

2004 – SEARUC

2005 – WCPSC

2006 – Mid-Atlantic Conference of Regulatory Utilities Commissioners (MACRUC)

2007 – New England Conference of Public Utilities Commissioners (NECPUC)

2008 – MARC

2009 – SEARUC

2010 – WCPSC

2011 – MARC

2012 – SEARUC

2013 – WCPSC

2014 – MACRUC

2015 – NECPUC

Beginning in 2016, this 15-year cycle shall be repeated.

Adopted by the 97th NARUC Annual Convention on November 20, 1985 (**Convention Proceedings**, pages 365-367), and amended by the 110th NARUC Annual Convention on November 9, 1998 and the NARUC Board of Directors on July 21, 1999 at its Summer Meeting in

San Francisco and on January 14, 2000, via an appropriately noticed and constituted conference call, and on March 8, 2000 at its Winter Meeting in Washington, D.C.

**POLICY GOVERNING FUNDING BY
GOVERNMENTAL AND
PRIVATE ORGANIZATIONS,
NATIONAL ASSOCIATION OF
REGULATORY UTILITY COMMISSIONERS**

(As Amended November 9, 1998, February 24, 1999, February 28, 2001 and
November 11, 2001)

I. General

Section 1. Scope of Policy. This policy statement by the National Association of Regulatory Utility Commissioners (NARUC) shall govern applications in the name of the NARUC for funding from governmental and private organizations and the employment of consultants and other persons to be paid from such funding.

Section 2. Applications for Funding. Each application for funding shall be consistent with the NARUC Constitution and shall be approved in advance by the Board of Directors, or by the Executive Committee, and signed by the Executive Director of the Association. A copy of the application (or a summary thereof if voluminous) shall be sent immediately to each member of the Board of Directors.

II. Consultants

Section 3. Competitive Bidding. Each contract for consultant services shall be awarded after the request for competitive bids. The selection of the successful bidder shall be based on an evaluation by the NARUC of the price, experience, reliability, expertise and performance methodology evidenced by the bidding process. Competitive bids may be dispensed with when only a single source is qualified to perform the work, or when the price is less than \$25,000.00.

Section 4. List of Potential Bidders. The NARUC shall maintain a current list of potential bidders who appear to have the expertise to perform the work called for by the request for bids. Other potential bidders shall be added to the list upon request, if they appear qualified.

Section 5. Request for Bids. The NARUC request for bids shall identify the work to be performed, the time allotted for performance, and the deadline for the submission of bids. The request for bids shall be advertised in the NARUC Bulletin and mailed to those on the appropriate list of potential bidders.

Section 6. Bids. Each bid shall respond fully to the NARUC request for bids, state the total price for the performance of the work, and identify the persons, including their education and experience, to perform the work. A bid shall become the property of the NARUC and shall not be returned to the bidder. All bids may be rejected by the NARUC when appropriate.

Section 7. Selection of Consultant. The consultant to perform the work, whether competitive bidding is used or not, shall be recommended by the chair of the committee to provide policy direction for the conduct of the work, after consultation with the NARUC Executive Director, and approved by the Executive Committee. The Executive Committee shall act promptly, either in a meeting or by the individual contact of its members.

Section 8. Consultant Contracts. Each contract between the NARUC and a consultant, as selected above, shall be prepared and signed by the NARUC Executive Director and shall include the following provisions.

(a) The contract shall identify the work to be performed, the employees of the consultant to perform it, reporting requirements, the time allotted for performance, and the total price for the work.

(b) The contract shall place limitations on reimbursement for travel expenses, if anticipated.

(c) The contract shall identify the NARUC committee representatives, in consultation with NARUC staff members, to review and accept or reject the work of the consultant.

(d) The consultant shall act as an independent contractor and shall not be deemed an agent or employee of the NARUC for any purpose.

(e) The consultant shall not engage in other activity that would create a conflict of interest with the performance of the contract.

(f) The consultant shall not discriminate against any person because of race, color, religious creed, ancestry, national origin, age or sex. The consultant shall comply with all other applicable laws regarding the operation of its business.

(g) The consultant (including any employee or subcontractor engaged in the performance of the contract) shall not be, or have been, a member of the NARUC during the course of the contract or within one year prior to its execution. This prohibition shall not apply if the consultant is a non-profit educational or research organization that provides assistance to the regulatory community. In addition, this prohibition may be waived by a majority vote of the NARUC Executive Committee based upon a finding that no other consultant can reasonably perform the contract or that waiving the prohibition is otherwise in the Association's interest.

(h) The consultant shall indemnify and hold harmless the NARUC against any claim for damages incurred by reason of any willful or negligent act of commission or omission of the consultant in the performance of the contract.

(i) The contract shall be subject to termination, with or without cause, by either the NARUC or the consultant, upon thirty days advance notice from one to the other.

Section 9. Reimbursement of NARUC Staff Expenses. The NARUC shall be reimbursed from such funding for expenses incurred in assisting in the administration of the work. Each NARUC staff member, so involved, shall maintain a written record of the time devoted.

III. Other Employment

Section 10. Other Employment. Each person needed to perform the work under a funding arrangement, other than a consultant as provided in Sections 3 through 9 above, shall be employed by the Executive Director in consultation with the chair of the committee to provide policy direction for the conduct of the work. The employment contract shall contain the provisions of Section 8 above to the extent practicable.

Adopted by the NARUC Executive Committee on March 4, 1993, and amended by the 110th NARUC Annual Convention on November 9, 1998.

CODE OF ETHICS FOR MEMBERS OF THE NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS

CANON I

A Commissioner Should Uphold the Integrity of the Commission:

An honorable Commissioner of high integrity is indispensable to justice in discharging the responsibilities of the Commission. A Commissioner should participate in establishing, maintaining and enforcing, and should observe high standards of conduct so that the integrity and honor of the Commission may be preserved. The provisions of this Code of Ethics should be construed and applied to further that objective.

CANON II

A Commissioner Should Avoid Impropriety and the Appearance of Impropriety in All Activities:

A Commissioner should respect and comply with the law and should conduct himself or herself at all times in a manner that promotes public confidence in the integrity and impartiality of the Commission. A Commissioner should not own any stock or securities or other financial interest in any company regulated by the Commission.

A Commissioner should not allow family, social or other relationships to influence his or her official conduct or judgment. A Commissioner should not lend the prestige of office to advance the private interests of others nor should he or she convey or permit others to convey the impression that they are in a special position to influence him or her.

CANON III

A Commissioner Should Perform the Duties of Office Impartially and Diligently:

The official duties of a Commissioner take precedence over all other activities. A Commissioner's duties include all the duties of office prescribed by law. In the performance of these duties, the following standards apply:

- (1) A Commissioner should be faithful to and constantly strive to improve his or her competence in regulatory principles. He or she should be unswayed by partisan interests, public clamor, or fear of criticism.
- (2) A Commissioner should maintain order and decorum in the proceedings before him or her.
- (3) A Commissioner should be patient, dignified and courteous to litigants, witnesses, lawyers, and others with whom the Commission deals in an official capacity, and should require similar conduct of lawyers, staff, and others subject to the Commissioner's direction and control.
- (4) A Commissioner should afford to every person who is legally interested in a proceeding, or his or her lawyer, full right to be heard according to law.
- (5) A Commissioner should diligently discharge his or her administrative responsibilities, maintain professional confidence in Commission administration, and facilitate the performance of the administrative responsibilities of other Commissioners and staff officials.
- (6) A Commissioner should disqualify himself or herself in a proceeding in which his or her impartiality might reasonably be questioned, including, but not limited to, instances where:
 - (a) The Commissioner has a personal bias or prejudice concerning a party;

(b) The Commissioner has served as a lawyer or representative in the matter in controversy, or a lawyer with whom he or she previously practiced law served during such association as a lawyer or representative concerning the matter;

(c) The Commissioner knows that he or she individually or as a fiduciary, or his or her spouse or minor child residing in his or her household, has a financial interest in the subject matter in controversy, or is a party to the proceeding, or any other interest that could be substantially affected by the outcome of the proceeding.

(7) For purposes of this section:

(a) "Fiduciary" includes such relationships as executor, administrator, trustee and guardian;

(b) "Financial interest" means ownership of a legal or equitable interest, however small, or a relationship as director, advisor, or other active participant in the affairs of a party, except that:

(i) Ownership in a mutual or common investment fund that holds securities is not a "financial interest" in such securities unless the Commissioner participates in the management of the fund;

(ii) An office in an educational, religious, charitable, fraternal, or civic organization is not a "financial interest" in securities held by that organization;

(iii) The proprietary interest of a policy holder in a mutual insurance company, of a depositor in a mutual savings association, or a similar proprietary interest, is a "financial interest" in the organization only if the outcome of the proceeding could substantially affect the value of the interest.

CANON IV

A Commissioner May Engage in Activities to Improve Regulation and Administration:

A Commissioner, subject to the proper performance of his or her duties, may engage in the following activities, and in doing so, he or she does not cast doubt on his or her capacity to decide impartially any issue that may come before the Commission:

(1) The Commissioner may speak, write, lecture, teach, and participate in other activities concerning regulation and the administration of Commission business.

(2) The Commissioner may appear at a public hearing before an executive or legislative body or official.

CANON V

A Commissioner Should Regulate His or Her Outside Activities to Minimize the Risk of Conflict:

By way of illustration, but not to be construed as excluding matters not covered:

(1) A Commissioner may write, lecture, teach, and speak on non-utility subjects and engage in arts, sports, and other social and recreational activities;

(2) A Commissioner may participate in civic and charitable activities that do not reflect adversely upon his or her impartiality or interfere with the performance of his or her official duties.

A Commissioner should refrain from financial and business dealing that tend to reflect adversely on his or her impartiality, interfere with the proper performance of his or her official duties, exploit his or her position, or involve him or her in frequent transactions with persons likely to come before the Commission.

Neither a Commissioner nor a member of his or her family residing in his or her household should accept a gift, bequest, favor, or loan from anyone except as follows:

- (1) Instances in which the interests of the public are served by participation of the Commissioner such as widely attended luncheon meetings, dinner meetings, or similar gatherings sponsored by industrial, technical, and professional associations for the discussion of matters of mutual interest of the Commission and in the performance of his or her duties;
- (2) A loan from a lending institution in its regular course of business on the same terms generally available to persons who are not Commissioners;
- (3) A Commissioner or a member of his or her family residing in his or her household may accept any other gift, bequest, favor or loan if the donor is not a party or other person whose special interest may come or are likely to ever come before the Commissioner.

Adopted by the 89th NARUC Annual Convention on November 17, 1977 (**Convention Proceedings**, pages 315-318)

Guidelines for the Administration of NARUC Sponsored Events

The following guidelines shall apply to the administration of all conferences, workshops, committee retreats, and other events when the NARUC is the primary sponsor. These guidelines shall not apply to the meetings of NARUC affiliates or committee or staff. NARUC supports solicitation of a broad range of ideas from diverse viewpoints in any event or meeting sponsored or endorsed by the Association.

Sponsorship: Events shall be deemed to be officially sponsored by the NARUC in those instances when the NARUC Board of Directors has expressly approved such sponsorship. The Executive Committee may approve a sponsorship in those instances when presenting the question to the next meeting of the Board of Directors is not possible due to time sensitivity. All operations involving NARUC financial commitments shall be approved by the NARUC staff acting under the general supervision of the Officers and the Board of Directors. Co-sponsors of such events shall work with the NARUC staff to assure compliance with these guidelines.

Standing Committee Recommendation: Whenever time constraints allow, any request for NARUC to sponsor an event shall be referred to the relevant Standing Committee for a recommendation. The Chair, in consultation with the members of the committee, shall consider, at a minimum, the following criteria in determining whether to recommend NARUC's sponsorship:

- Timing of the event and the likely impact on attendance at other NARUC-sponsored events.
- The reason NARUC is being solicited to co-sponsor the event.
- The level of staff or other resources NARUC is likely to divert to support the event or is being specifically asked to contribute to support the event.
- Whether the event is likely to add value to NARUC's membership or reputation.
 - o Likely degree of NARUC member participation at event.
 - o Subject matter's relevance to members' duties/NARUC's mission, goals and priorities.
 - o Given the political and social climate at the locus of the event, if sponsorship will enhance NARUC's image in the regulatory community.

- Whether the event is national, as opposed to regional, in scope.
- Whether other sponsors are commercial, as opposed to non-profit, entities.
- Whether other sponsors are regulated or affiliated with regulated entities.

The Chair should reference these criteria and their impact in any oral or written recommendation to the Executive Committee.

Scheduling: The scheduling of more than one NARUC sponsored event on any given date shall be discouraged. The NARUC shall not sponsor an event which conflicts with a previously announced sponsored event without the approval of the Board of Directors. The Executive Committee shall not approve a proposed sponsorship request that conflicts with any scheduled meeting of the Association, including the Winter and Summer Committee Meetings, the Annual Convention, or the annual meeting of any regional affiliate organization.

Location: The NARUC Meetings Director will investigate locations and probable dates for all NARUC meetings, including the Annual Convention and make recommendations to the Board of Directors.

Promotion: The NARUC shall utilize a mix of reasonable means to promote attendance at NARUC sponsored events including publication in the NARUC Bulletin, mailings, distribution of promotional literature at NARUC events, and publication of notice of the event on the NARUC internet home page.

Registration: The processing of receipts and expenses for NARUC sponsored events shall conform to the record keeping requirements of the NARUC Treasurer and external auditor.

Finances and Budgeting: A budget shall be established for all NARUC sponsored events. The budget shall be based on reasonable expectations of attendance and shall conform to the funding restrictions imposed by the NARUC Board of Directors at the time of sponsorship. Appropriate reductions in expenditures shall be made if and when it is clear that attendance at the event will fall short of expectations.

All expenses shall be made in consultation with the NARUC Treasurer or other NARUC staff member identified by the Executive Director. All event revenues and expenses shall be documented with appropriate receipts in conformance with the requirements of the NARUC Treasurer and external auditor.

Contractual Assistance: The use of outside professional assistance (consultants) for the administration of NARUC sponsored events shall be discouraged unless there is a compelling need for such services. In those instances where such assistance is required, the NARUC guidelines for the selection of consultants shall be observed.

Contracts: All contracts executed in the name of the NARUC shall be signed by the NARUC Executive Director, or the Executive Director authorized designee in accordance with the limitations on such delegations specified in NARUC's Internal Procedures Manual. Oral contracts are prohibited.

Audio Visual Expenses: Event organizers shall attempt to minimize expenditures for audio visual equipment by restricting the use of excessive equipment and by ordering audio visual equipment from a vendor other than the in-house vendor at the hotel when it is cost effective to do so.

Travel Expenses: Reimbursements to NARUC staff who travel to sponsored events shall conform to the policies set forth in the most recent edition of the NARUC Office Manual. Reimbursements to speakers who travel to NARUC sponsored events shall be discouraged. In

those instances when speaker travel expenses are to be reimbursed, the amount of the reimbursement shall be based on a clear understanding in advance of the travel expenses to be so reimbursed by the NARUC Treasurer and the speaker.

Reimbursement for NARUC Expenses: The NARUC shall be reimbursed from event revenues for all expenses associated with the administration of NARUC sponsored events, including travel. To the extent that NARUC staff assist in the administration of NARUC sponsored events, the NARUC shall be reimbursed for each hour of such staff assistance plus a pro-rata portion of the annual fringe benefits earned by such employees. The calculation for hourly staff costs and fringe benefit expenses shall conform to the accounting techniques used with respect to the Federal grant awards to the NARUC.

Adopted by the NARUC Executive Committee, July 24, 1996, amended by the 110th NARUC Annual Convention on November 9, 1998 and by the NARUC Board of Directors on March 10, 2004 and August 2, 2006.

POLICY DEVELOPMENT AND IMPLEMENTATION
(As Amended November 15, 2006)

A. STATEMENTS OF ASSOCIATION POLICY

Section 1. Policy Resolutions

- A. Policy resolutions adopted by either the NARUC in plenary session or its Board of Directors express the basic beliefs and objectives of the Association. Resolutions serve as the basis for legislative and regulatory advocacy and related activities of the Washington Staff. Resolutions also serve to define and revise the internal operations of the Association. As noted, policy resolutions take two forms: first, to define and revise the internal operations of the Association, and second, to express the Association's views on public policy issues affecting the regulation of carriers and utilities. Resolutions shall stand until revised or repealed.
- B. The Executive Director shall prepare a handbook of current NARUC policies by placing each adopted resolution in a loose-leaf book. Resolutions shall be organized by subject matter rather than originating committee. Each resolution shall bear the date of adoption, the name of the Chair of the standing committee or committees originating or sponsoring the resolution, and the names of any individual members that sponsored the original resolution.
- C. When an issue falls within the jurisdiction of two or more standing committees, the chair or chairs of such committees shall notify the Executive Director of intent to consider a resolution at least three weeks prior to the committee meeting. The Executive Director shall prepare a list of all such resolutions for circulation to the membership. The chairs of two or more standing committees may conduct a joint meeting of their committees to debate proposed resolutions within their joint jurisdiction.

Section 2: Other Statements of Policy

- A. Statements of principle and other policy guidelines recommended for consideration by NARUC member commissions shall be collegial in nature, reflecting the need for individual commissions to comply with their respective statutory and regulation obligations. Such statements and guidelines shall be adopted by resolution.
- B. Any model statutes, model regulations, white papers, or "best practices," whether prepared by staff or by contractors, shall represent the official policy of the Association only when adopted by resolution. NARUC shall disseminate new

statutory or regulatory policies developed and implemented by its members through its website and newsletter.

- C. In general, testimony and other congressional statements, briefs, agency comments and legal pleadings on behalf of NARUC shall be based upon the Association's policy resolutions and reasonable inferences taken there from.

Section 3: Policy Development with Other Organizations

- A. With the approval of NARUC's officers and the chair of any relevant standing committee, the Association may join in policy statements with other appropriate organizations. The officers and committee chairs shall be vigilant to avoid associating NARUC with positions and arguments that are inconsistent with the Association's positions or interests. NARUC Staff shall ensure that when the Association's name is on reports, white papers or similar documents developed with other organizations, each such document include a written disclaimer that it does not reflect the policy of the Association unless the Board of Directors has endorsed the document in question.

B. CONGRESSIONAL RELATIONS

Section 1: Association Witnesses

- A. The NARUC Washington Staff shall seek to place NARUC representatives as witnesses at all relevant Congressional hearings. In cases in which a NARUC representative is not requested or appropriate, the Washington Staff shall seek to facilitate the participation of representatives of individual State commissions testifying on behalf of their State or region.
- B. Official NARUC witnesses shall be chosen by the NARUC officers and relevant committee chair or chairs with the advice of the NARUC Washington Staff. The following factors shall be considered in choosing a NARUC witness:
1. Knowledge of the issues;
 2. Affinity of State or region of NARUC witness and members of Congressional committee, particularly any personal relationship with the committee chairman or ranking member;
 3. Request of congressional committee for a specific witness or point of view;
 4. Political balance;
 5. Membership on NARUC standing committee;
 6. Need to provide opportunity for new witnesses.

Section 2: Congressional Testimony

- A. The NARUC Washington Staff shall draft Association testimony in cooperation with the NARUC witness and his or her staff. If possible, the Washington Staff shall provide the first draft of proposed testimony to the NARUC witness at least three days before the testimony is submitted to the congressional committee. Positions taken in official NARUC testimony shall be based upon the Association's policy resolutions and reasonable inferences taken therefrom.
- B. On occasion, a NARUC witness may be invited to provide views of his or her individual State commission, either orally or in written testimony. In such cases, the NARUC witness shall clearly distinguish NARUC's positions from the views of his or her State commission or his or her personal views.
- C. Responses to post-hearing questions from congressional committees shall be prepared by the NARUC Washington Staff in consultation with the NARUC witness and as appropriate, the chair of the relevant committee or committees.
- D. The NARUC Washington Staff shall prepare a press release in conjunction with the appearance of a NARUC witness for distribution to relevant media and inclusion in the NARUC Bulletin.

Section 3: Congressional Correspondence

- A. The NARUC Washington Staff shall prepare and deliver correspondence to Congress before committee mark-ups or floor action in all cases in which the Association has taken a position. Such correspondence shall be prepared in consultation with the chairs of relevant NARUC committees. If time permits, draft correspondence shall be circulated to all members of relevant NARUC committees via email. In all cases, congressional correspondence shall be summarized in the NARUC Bulletin.
- B. Congressional correspondence shall be transmitted over the signature of the NARUC President and/or relevant committee chair or chairs if time permits. Congressional correspondence may be signed by the NARUC Executive Director or General Counsel as necessary in cases where time is short.
- C. The NARUC Washington Staff shall notify the NARUC membership of committee markups or floor action by the most expeditious means available.

Section 4: Congressional Meetings

- A. The NARUC Washington Staff shall arrange meetings between NARUC members and relevant members of Congress and their staffs as necessary to meet the strategic needs of the Association.

- B. The Association shall seek to maximize participation of its members in congressional meetings. In designating attendees at congressional meetings, the Association shall consider the factors described in part I.B. The President, after consultation with the chairs of relevant committees, shall determine the makeup of NARUC delegations in cases where attendance is limited.
- C. The NARUC Washington Staff shall assist the chair of Washington Action in planning congressional activities held in conjunction with the NARUC Winter Committee Meetings.

C. POLICY ON LITIGATION

Section 1: Briefs, Comments and other Pleadings

- A. In general, briefs, agency comments and legal pleadings shall be based upon the Association's policy resolutions and reasonable inferences taken therefrom. The NARUC attorney preparing a legal pleading shall consult with the chair of the relevant committee or committees prior to submitting the pleading. If time permits, the NARUC attorney shall provide draft pleadings to the chair before filing. Copies of all briefs, comments and legal pleadings (other than those involving procedural matters) shall be circulated electronically to the members of the relevant committee after filing.
- B. Where the anticipated action is directed by, or the expected response to, a NARUC resolution, NARUC attorneys will file an appropriate pleading in accordance with part A, above. Often cases arise where NARUC attorneys believe that the Association should consider instituting litigation or intervening in pending litigation to address an issue of importance to the Association's membership but the schedule of NARUC triennial meetings do not permit the Association to respond with a targeted resolution. If NARUC has an outstanding policy position addressing the issue or issues, NARUC attorneys shall file appropriate pleadings after consultation with the chair of the relevant committee or committees and notice to the NARUC Executive Committee. If NARUC has no outstanding policy position addressing the issue or issues, NARUC attorneys shall file appropriate pleadings after consultation with and approval by the chair of the relevant standing committee or committees and notice to the NARUC Executive Committee. In addition, if the case has a direct impact on individual NARUC member State commissions, NARUC attorneys shall consult with the chair of each affected commission before contacting the relevant committee chair or Executive Committee members. The specified notices to the NARUC Executive Committee may be by phone or electronic message. Such notices must indicate the issue, proposed action, timeframe for action, and a notation that NARUC is consulting directly with the chair of the relevant committee(s) and the NARUC President [or if the President is unavailable another member of the Executive Committee] before taking action.

- C. As required by court rules or for strategic purposes, NARUC may be required to join in joint pleadings with other parties, both individual State commissions and other parties deemed to have similar interests. In such cases, NARUC attorneys shall consult with the chair of the relevant committee or committees concerning the decision to file joint pleadings. In addition, NARUC attorneys shall be vigilant to avoid associating NARUC with positions and arguments that are inconsistent with the Association's positions or interests.

Section 2: NARUC Representation

- A. NARUC's attorneys shall represent the Association in judicial proceedings and agency hearings and conferences. In cases of joint party participation in a case or proceeding, the NARUC Executive Committee, after consultation with the chair of the relevant standing committee, shall determine the appropriate attorney to represent State commission interests in oral arguments and similar proceedings. The Executive Committee shall base its decision on the attorney's familiarity with the case or proceeding, previous experience in similar cases or proceedings, and reputation for skill and preparation.
- B. The NARUC Washington Staff will arrange meetings between NARUC members and relevant members of Federal agencies and commissions as necessary to meet the strategic goals of the Association. NARUC shall seek to maximize participation by its members in such meetings.
- C. The NARUC Washington Staff will prepare correspondence to Federal agencies and commissions as directed by NARUC officers or relevant committee chairs. Such correspondence shall be transmitted over the signature of the NARUC President and/or relevant committee chair or chairs if time permits. Correspondence may be signed by the NARUC Executive Director, General Counsel or other staff member as directed by NARUC officers or relevant committee chairs.

Adopted by the Board of Directors on January 14, 2000

POLICY ON ISSUANCE OF PRESS RELEASES

1. The NARUC Press Release – The NARUC Washington Office shall maintain appropriate Press Release letterhead to be used when issuing a statement to the press. The NARUC Washington Office shall maintain appropriate lists of current press contacts covering matters of interest to the Association.

2. Authority to Issue Press Release – Only the NARUC Executive Director, or his or her designee, may authorize the issuance of a press release on NARUC’s behalf. The NARUC President, a majority of the Executive Committee, or a majority of the Board of Directors may direct the Executive Director to authorize the issuance of a press release.
3. Scope of Press Release; Disclaimers – In general, NARUC press releases fall in one of two categories: first, releases announcing news of the Association such as election of officers, key personnel changes or upcoming meetings; and second, releases addressing the Association’s views on matters of public policy. In addition, NARUC may issue press releases on matters of public policy that reflect the plans or activities of a subgroup of the Association such as a Standing Committee or Subcommittee, an Ad Hoc Committee, or a Working Group established by the Executive Committee or the Board of Directors. Such press releases shall include an appropriate disclaimer making clear that the focus of the Committee, Subcommittee or Working Group’s plans or activities, e.g., a proposed white paper being released for comment, is preliminary and should in no way be considered to reflect the views or have the endorsement of the NARUC, its Board of Directors, or any of its members. The press release should caution the press that “Unless and until a formal NARUC resolution taking a position on any proposed Committee activity is considered and passes through the NARUC decisional process, it cannot represent the views or even predilections of the organization.” Any press release that can be read to advocate positions clearly contrary to NARUC’s announced policy – as expressed in resolutions – or in statements of position or procedure approved in the alternative methods provided in the NARUC Constitution and bylaws will not be released through the NARUC office or suggest that NARUC in any way endorses that contrary position.
4. Consultation – The staff of the NARUC Washington Office shall consult with the Chair of each Standing Committee affected by the subject matter of a planned press release that states the Association’s views on a matter of public policy. Where NARUC’s policy views are clearly enunciated in an approved letter or resolution, a press release fairly outlining the resolution or approved statement of policy may be released when the chair or vice-chair of the relevant committee cannot be located in time to make perceived press deadlines. As appropriate, each press release shall include a statement in quotations from each affected Committee Chair wishing to be quoted. Before a press release may be issued on behalf of a subgroup of the Association, the Executive Director shall provide a draft of the planned release to the members of the Executive Committee and the Chair of each affected Standing Committee.

Adopted by the Board of Directors on July 18, 2001

