

BYLAWS
OF
METROPOLITAN PARTNERSHIP FOR ENERGY

ARTICLE I
NAME

The name of the corporation (hereafter referred to as the "Corporation") is Metropolitan Partnership for Energy.

ARTICLE II
OFFICE

The principal business office of the Corporation shall be located at 118 Broadway, Suite 626, San Antonio, Texas 78205. The location of such principal office may be changed from time to time by the Directors of the Corporation.

ARTICLE III
MISSION

The mission of the Corporation is to protect and enhance the quality of life of the citizens of the metropolitan San Antonio area by providing energy leadership, expertise, and education and by developing regionally cooperative programs for the wise, efficient and sustainable use of energy.

ARTICLE IV
MEMBERS

The Corporation shall not have members.

ARTICLE V
BOARD OF DIRECTORS

5.1 Governing Body. The Board of Directors of the Corporation shall constitute its governing body and shall have such powers and authority as shall be conferred upon the Directors by the Certificate of Incorporation, the Bylaws and the general laws of the State of Texas.

5.2 Numbers. The Board of Directors of the Corporation shall consist of no fewer than three (3) Directors and no more than nine (9) Directors, as determined from time to time by a majority of the Directors then serving.

5.3 Selection of Directors. One Director shall be the County Director. The person holding the office of Bexar County Judge may serve as the County Director, or if the County Judge elects not to serve as a Director, the County Judge may appoint a Director to serve as the County Director. One Director shall be the City Director. The person holding the office of Mayor of the City of San Antonio may serve as the City Director, or if the Mayor elects not to serve as a Director, the Mayor may appoint a Director to serve as the City Director. One Director shall be the City Public Service (“CPS”) Director. The Chief Executive Officer (CEO) of City Public Service of San Antonio may serve as the CPS Director, or if the CEO elects not to serve as a Director, the CEO may appoint a Director to serve as the CPS Director. If the Bexar County Judge does not serve as the County Director or appoint a County Director within two (2) months after receiving notice from the Corporation requesting such service or appointment, the Board of Directors of the Corporation shall appoint the County Director. If the Mayor does not serve as the City Director or appoint a City Director within two (2) months after receiving notice from the Corporation requesting such service or appointment, the Board of Directors of the Corporation shall appoint the City Director. If the CEO of CPS does not serve as the CPS Director or appoint a CPS Director within two (2) months after receiving notice from the Corporation requesting such service or appointment, the Board of Directors of the Corporation shall appoint the CPS Director. Any Director appointed under this Section 5.3 by the Board of Directors shall be a person employed by or answerable to the entity or governmental body that such successor Director is appointed to represent. Additional persons may be appointed to serve as Directors as determined from time to time by a majority of the Directors then serving. Additional public officials, governmental bodies, or private entities may be given the power to appoint one or more Directors as determined from time to time by a majority of the Directors then serving.

5.4 Length of Service; Removal and Resignation of Directors. All Directors shall serve at the will of the person or entity appointing them and shall continue to serve until their successors are appointed or they resign in writing to the Corporation. Resignation must be as follows: (a) the County Director shall continue to serve until such time as the Bexar County Judge elects to serve as the County Director or appoints a new County Director; (b) the City Director shall continue to serve until such time as the Mayor of the City of San Antonio elects to serve as a Director or appoints a new City Director; and (c) the CPS Director shall continue to

serve until such time as the CPS CEO elects to serve as a Director or appoints a new CPS Director. Any other Director appointed by a public official or governmental body may be removed at any time by the public official, governmental body, or private entity with the power to appoint such Director. A Director appointed by the Board of Directors may be removed by a majority vote of the Board of Directors. Whenever a new Bexar County Judge takes office, the Corporation will send a notice to such new Bexar County Judge requesting that the Bexar County Judge either confirm the current appointment of the County Director, assume the role as County Director, or appoint a new County Director. Whenever a new Mayor of the City of San Antonio takes office, the Corporation will send a notice to such new Mayor requesting that the Mayor either confirm the current appointment of the City Director, assume the role as City Director, or appoint a new City Director. Whenever a new CPS CEO takes office, the Corporation will send a notice to such new CPS CEO requesting that the CEO either confirm the current appointment of the CPS Director, assume the role as CPS Director, or appoint a new CPS Director. In the event that the County Director, City Director, or any other Director appointed by a public official, governmental body, or private entity resigns, and a replacement Director is not appointed within two (2) months of such resignation, the Chairman of the Corporation may appoint an interim replacement Director to serve on the Board of Directors. The appointed interim replacement Director shall serve until such time as the person or entity with the authority to appoint such Director appoints a new Director.

ARTICLE VI

MEETINGS OF THE BOARD OF DIRECTORS

6.1 Number, Date and Place. The Board of Directors shall hold an annual meeting to receive reports of the previous year, review the progress of the Corporation, establish policy and direction, elect officers, and for such other purposes as it may, from time to time, decide to include in its agenda. Other meetings of the Board of Directors may be called by the Chairman or by two other Directors then holding office. All annual meetings of the Board of Directors shall be held in San Antonio, Texas, at a place and time designated by the Chairman. Directors calling a meeting shall designate the time and place in San Antonio, Texas.

6.2 Notice. Notice of all meetings of the Board of Directors of the Corporation, stating the time and place of such meeting, shall be given by any officer of the Corporation by mailing the same to each Director at his or her address as the same shall appear on the records of the Corporation. Notice of meetings shall be given at least five (5) days prior to the date of the meeting, except that notice of a meeting to be held as a telephone meeting shall be given at least twenty-four (24) hours prior to the meeting. However, no notice need be given to any Director from whom a written waiver of notice has been received.

6.3 Action; Quorum. All action of the Board of Directors, unless otherwise specified in these Bylaws or required by law, shall be taken (a) at a meeting at which a quorum of the Board of Directors is present in person; and (b) by a majority vote of the Directors present at the

meeting in person or by proxy. In the event of a tie vote, the Chairman (or if the Chairman is not in attendance in person or by proxy, the Vice-Chairman) shall be entitled to cast an additional vote to break the tie. A quorum of the Board of Directors shall be a majority of the Board of Directors. Directors present by proxy may not be counted toward a quorum.

6.4 Action Without a Meeting. Any action which may or must be taken at a meeting of the Directors or which may be taken by any committee of the Corporation may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by all of the Directors or all of the members of the committee, as the case may be. Such unanimous written consent shall have the same force and effect as a unanimous vote, and may be stated as such in any articles or document.

6.5 Telephone or Electronic Meeting. Subject to the provisions of these Bylaws for notice of meetings, members of the Board of Directors of the Corporation and members of any committee designated by the Board of Directors may participate in and hold a meeting of the members of the Board of Directors or committee by means of one or more of the following: (1) conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear one another; (2) another suitable electronic communication system, including video conferencing technology or the Internet, but only if each member entitled to participate in the meeting consents to the meeting being held by the electronic communication system and the system provides access to the meeting in a manner or method by which each member participating in the meeting can communicate concurrently with each other participant. Participation in a meeting pursuant to this Section 6.5 shall constitute presence in person at such meeting. Participation also includes pursuant to this Section 6.5 a person who participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

6.6 Proxy. A Director may send a proxy with the power to vote on his or her behalf at meetings of the Board of Directors or may give his or her proxy to another Director to vote on his or her behalf.

ARTICLE VII **OFFICERS**

7.1 Officers. The officers of the Corporation shall be a Chairman, a Vice-Chairman and a Secretary/Treasurer. All of the officers must be members of the Board of Directors. The Board of Directors also may appoint one or more Assistant Secretaries or Treasurers. The Assistant Secretaries or Treasurers, who are not officers, may or may not be members of the Board of Directors and may or may not hold other offices on the Board of Directors.

7.2 Election. The officers shall be elected at the annual meeting of the Board of Directors and shall hold office for one (1) year and until their successors have been elected and

have qualified; provided, however, that the office of Chairman shall be held by either the County Director or the City Director on a rotating basis of one year each.

7.3 Removal. Any director may be removed at any time, with or without cause, by resolution of the Directors at any meeting of the Board of Directors.

7.4 Chairman. The Chairman shall be the principal executive officer and president of the Corporation within the meaning of Article 1396-2.20 and Article 1396-1.02(A)(8) of the Texas Non-Profit Corporation Act. The Chairman shall preside at all meetings of the Board of Directors. The Chairman shall perform all of the duties commonly incident to his or her office and such other duties as the Board of Directors may designate from time to time. The Chairman of the Corporation also shall hold the title of Chairman of the Board of Directors.

7.5 Vice-Chairman. The Vice-Chairman shall be vested with all of the powers and shall perform all of the duties of the Chairman in case of the absence or disability of the Chairman, and shall have such other powers and perform such other duties as the Board of Directors may designate from time to time.

7.6 Secretary/Treasurer. The Secretary/Treasurer shall keep accurate minutes of all meetings of the Board of Directors, shall keep or cause to be kept full and accurate records of all receipts and disbursements in the financial books of the Corporation and shall perform such other duties concerning the collection, custody and disbursement of the funds and other property of the Corporation as the Board of Directors may assign. Upon request of the Board of Directors the Secretary/Treasurer shall render a full, written report of the financial condition of the Corporation to the Board of Directors. The Secretary/Treasurer also shall perform all the duties commonly incident to his or her office, and shall perform such other duties and have such other powers as the Board of Directors may designate from time to time.

7.7 Assistant Secretaries or Treasurers. Any Assistant Secretaries or Treasurers shall be vested with all of the powers and shall perform all of the duties of the Secretary/Treasurer in the case of his or her absence or disability. Assistant Secretaries or Treasurers do not have voting rights on the Board of Directors unless also serving as a proxy.

7.8 Vacancy. If any office should become vacant by reason of death, removal or otherwise, the Board of Directors shall appoint a successor or successors consistent with Section 5.3, Selection of Directors.

7.9 Compensation. Officers and Directors of the Corporation shall perform the normal duties associated with their respective offices without compensation.

7.10 Delegation of Powers. In the event of the absence or disability of any officer of the Corporation, the Board of Directors may delegate his or her powers and duties for the time being to any other officer or officers.

ARTICLE VIII
MISCELLANEOUS

8.1 Accounting Year. The accounting year of the Corporation shall be the calendar year.

8.2 Publicity. All public statements or publicity with respect to any policy or position of the Corporation shall be made only by or with the approval of the Chairman unless the Chairman has delegated his or her authority for public statements or publicity

ARTICLE IX
INDEMNIFICATION

9.1 Extent of Indemnification. The Corporation shall indemnify any person who is serving or has served as a Director, officer or committee member of the Corporation to the greatest extent then permitted by the Texas Non-Profit Corporation Act and other applicable law. Indemnification as provided in this Article 9 shall inure to the benefit of the heirs, executors, and administrators of any person who held a position named in this section.

9.2 Other Remedies. Indemnification provided in this Article shall not be exclusive of any other rights to which a person who held a position identified in Section 9.1 may be entitled by law, agreement, vote of disinterested Directors, or otherwise.

9.3 Insurance. The Corporation may purchase and maintain insurance on behalf of any person (or may reimburse any such person for the reasonable and necessary cost of obtaining and maintaining personal insurance) against any liability which may be incurred by him or her arising out of his or her status as a Director, officer, committee member or employee of the Corporation, whether or not the Corporation would have the power to indemnify him or her against any such liability in Section 9.1.

ARTICLE X
NONDISCRIMINATION POLICY

The Corporation shall not discriminate on the basis of race, color, religion, gender, sexual preference or national origin.

ARTICLE XI
AMENDMENTS

These Bylaws may be amended at any meeting of the Board of Directors by a two-thirds (2/3) vote of the Directors at any meeting of the Board of Directors at which at least two-thirds (2/3) of the voting members are present in person, provided that written notice of the proposed amendment shall have been mailed to each Director at least five (5) days prior to the meeting.

ADOPTED by the Board of Directors on the _____ day of _____, 2001.

SECRETARY