

American Gas Association

BYLAWS

(As last amended effective October 14, 2002)

ARTICLE I

Name and Offices

SECTION 1. Name. The name of this Association shall be: AMERICAN GAS ASSOCIATION (“Association” herein).

SECTION 2. Offices. The Association shall maintain its principal offices, and any branch offices, in such places as the Board of Directors may determine.

ARTICLE II

Purposes

The purposes of this Association are as set forth or implied in its Certificate of Incorporation. Those purposes include the advocacy of the interests of the Association’s natural gas utility members and their customers, and the provision of information and services promoting the safe, reliable and cost competitive delivery of natural gas.

ARTICLE III

Members

SECTION 1. Classes of Membership. The membership of this Association shall consist of the following classes and such other classes of membership and non-membership participation as the Board of Directors may establish:

SECTION 2. Full Members. Full members include United States gas distribution utilities and their corporate parents. Each full member’s accredited delegate is entitled to one vote at Annual Meetings and Special Meetings of this Association. Only full members are entitled to vote in such meetings.

SECTION 3. *Limited Members.* Limited members include United States natural gas pipelines; Canadian and Mexican gas distribution utilities and pipelines; and United States, Canadian and Mexican gas gathers, marketers and brokers.

SECTION 4. *Associates.* Associates include suppliers, consultants, members of the operating, financial, marketing and legal communities, and others who provide services to the natural gas industry.

SECTION 5. *International Members and International Affiliates.* International Members and International Affiliates are utilities or other entities interested in international gas activities. However, any company in the United States that is eligible to be a full member must be a full member to qualify as an international member or affiliate.

SECTION 6. *Authority of Delegates.* Each member may appoint an accredited delegate by designating such person in a letter to the Secretary of this Association. Such appointment shall be deemed continuous until rescinded in writing. Such accredited delegate shall be deemed to be authorized to act on behalf of such member in all relations with this Association.

SECTION 7. *Honorary Members.* The Board may confer to any individual or entity honorary membership and revoke it in its discretion. Such membership shall not include the right to vote.

ARTICLE IV

Admission to Membership

SECTION 1. *Applications for Membership.* Applications for membership shall be in such form as the Board of Directors shall require. Applicants denied membership or whose membership has been suspended or terminated shall have the right of appeal to the Board of Directors, under such rules as may be established. Written notice of the Board's decision on the appeal will be provided appellant and the decision shall be final and may not be challenged in any other forum.

SECTION 2. *Elections to Membership.* The Board of Directors shall pass upon all applications for full membership. It shall have the power to accept or reject all applications for

membership, to determine the appropriate membership class of each member, and to institute other membership rules.

ARTICLE V

Dues and Assessments

The rates of membership dues and the amounts of any special assessments shall be fixed by the Board of Directors. Any action of the Board of Directors pursuant to this Article V shall be conclusive.

ARTICLE VI

Termination of Membership

SECTION 1. Resignations. Any member may resign from membership by giving written notice to that effect to the Secretary and paying all dues to the date of termination unless released from said payment.

SECTION 2. Termination of Membership. Any member who is in arrears for one year's dues shall not be entitled to vote, and, if so directed by the Board of Directors, shall not be entitled to attend meetings of this Association or to receive any benefits of membership. The Board may terminate or suspend memberships on this and such other grounds as it may establish and the decision may be appealed as provided under Article IV, Section 1.

ARTICLE VII

Directors and Officers

SECTION 1. Board of Directors. This Association shall have a Board of Directors consisting of at least 35 directors. The Chair of the Board and First Vice-Chair (and a Second Vice-Chair if one is nominated and elected), shall be elected as provided in Section 3 of Article IX, and the President and CEO and the immediate past Chair of the Board of the Association shall be directors ex-officio with voting rights.

The Board of Directors shall have paramount authority with respect to the properties, funds, finances and activities of this Association. Unless otherwise provided by law or these bylaws, any question to be decided by the Board of Directors shall be decided by the vote of the majority of the Directors participating in the meeting at which

such question is presented, provided a quorum is present.

The Board of Directors shall meet at such times and places as it may designate or, upon the call of its Chair or not less than 15 of its members.

Fifteen directors shall constitute a quorum at all meetings of the Board of Directors.

SECTION 2. *Executive Committee.* The Board of Directors may appoint and remove an Executive Committee consisting of not less than seven members; provided, however, that membership of such Committee shall be approved by a majority of the whole Board. The Chair of the Board, First Vice-Chair, (Second Vice Chair if one is nominated and elected) and President and CEO shall be voting members ex-officio of such Committee, and the Chair of the Board and First Vice-Chair shall act as Chair and Vice-Chair, respectively. The Executive Committee shall have and may exercise all the powers of the Board of Directors during intervals between meetings of the Board, except any power specifically denied such Committee by the Board of Directors or by law. A majority of the Executive Committee shall constitute a quorum at all meetings of the Committee.

The Executive Committee shall meet at such times and places as it may designate, or upon the call of its Chair or not less than five of its members.

Any question to be decided by the Executive Committee shall be decided by the vote of the majority participating in a meeting, provided a quorum is present.

SECTION 3. *Officers.* The officers of this Association shall be a Chair of the Board, a First Vice-Chair, a President and CEO, a Treasurer and a Secretary, and such Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Directors may appoint. If a Second Vice Chair is nominated and elected, that person would be an officer. The Chair of the Board and the First and Second Vice-Chair shall be directors, officers or employees of full members and shall be elected as provided in Section 3 of Article IX. All other officers shall be appointed by the Board of Directors to serve at its pleasure.

SECTION 4. *Duties of Chair of the Board.* The Chair of the Board shall preside at the Annual

Meeting of this Association and any Special Meetings and at all meetings of the Board of Directors, shall be a member ex-officio of all committees and shall perform such other duties as may be assigned by the Board of Directors.

SECTION 5. *Duties of Vice-Chairs.* The First and Second Vice-Chairs shall perform such duties as may be assigned to them by the Board of Directors or the Chair of the Board.

SECTION 6. *Absence, Resignation, Removal, Disability or Death.* In case of the absence, resignation, removal, disability or death of the Chair of the Board, those duties shall devolve upon the First Vice Chair, Second Vice Chair, or a director chosen by a majority of the remaining Board of Directors, in that order. The disability of those persons, or any nominee for such offices, shall be a matter to be determined solely by the Board of Directors.

SECTION 7. *Duties of President and CEO and Vice-Presidents.* The President and CEO and Vice Presidents (who may have such further titles as the Board of Directors may direct) shall perform such duties as the Board of Directors may authorize.

SECTION 8. *Duties of the Secretary and Assistant Secretaries.* The Secretary and Assistant Secretaries shall perform such duties as are implied by their titles or as the Board of Directors may authorize.

SECTION 9. *Duties of Treasurer and Assistant Treasurers.* The Treasurer and Assistant Treasurers shall perform such duties as are implied by their titles or as authorized by the Board of Directors. They shall be bonded in such sums and with such qualifications as the Board of Directors may from time to time determine. The Treasurer shall annually report to the Board of Directors as to the funds and finances of the Association.

SECTION 10. *Compensation of Officers and Directors.* Except for the Association's staff officers, no officer or director of this Association shall receive any salary, compensation or emolument from this Association, unless authorized by two-thirds of the members of the Board of Directors.

ARTICLE VIII

Meetings of the Association

SECTION 1. Annual Meeting. This Association shall hold an Annual Meeting each year at such time and place as shall be fixed by the Board of Directors; provided, however, that the Board of Directors shall set such date and give written notice thereof to the Nominating Committee at least 90 days prior thereto, and shall give written notice of the place, date and hour of the meeting to all full members not less than 10 nor more than 60 days prior to such meeting.

SECTION 2. Proceedings at Annual Meeting. The Annual Meeting shall elect officers and directors; elect a Nominating Committee; consider matters referred to it by the Board of Directors; receive a financial report from the Treasurer which shall be filed with the minutes of the Annual Meeting; may receive reports and discuss subjects of general interest to the gas industry; and shall transact such other business as may properly be brought before it.

SECTION 3. Special Meeting. A Special Meeting, open to all accredited delegates of full members may be called at any time by the Board of Directors, and shall, if requested in writing by 50 full members, be called by the Chair of the Board. A written notice of each Special Meeting shall be sent, not less than 10 days nor more than 60 days prior to the date of such meeting, to every member eligible to attend, stating the date, hour and place of such meeting and the business to be transacted thereat. No business shall be transacted at any Special Meeting other than that for which the Special Meeting was called.

SECTION 4. Quorum. Twenty-five full members represented by accredited delegates or by proxy shall constitute a quorum at all Annual Meetings and Special Meetings.

ARTICLE IX

Nominations and Elections of Directors and Officers

SECTION 1. Nominations by Nominating Committee. Not later than 90 days prior to the Annual Meeting of each year the Nominating

Committee shall submit to the President and CEO its nominations for Chair of the Board, First Vice-Chair, and other directors. The Nominating Committee may also nominate a Second Vice Chair.

The President and CEO shall give written notice of such nominations, and those under Section 2 of this Article IX, to such members of this Association as are entitled to vote thereon at least 30 days prior to the date of the Annual Meeting.

If any nominee named by the Nominating Committee shall die, become incapacitated, ineligible or decline to stand for election, the Nominating Committee shall submit to the President and CEO the name of its substitute candidate(s). Should such submission be made prior to 10 days before the elections at the Annual Meeting of the Association, the President and CEO shall promptly give written, fax or electronic notification to the members of the Association entitled to vote thereon of the change in the nominations. Otherwise such notice shall be given at the Annual Meeting.

In the event that the Nominating Committee should be unable or fail to make a nomination of a substitute prior to the Annual Meeting, then the Board of Directors shall make such nomination.

At the Annual Meeting, the Nominating Committee shall submit its nominations to the accredited delegates.

SECTION 2. Additional Nominations. Fifty full members of this Association may place in nomination names of eligible persons for any elected officers and directors. Such nominations must be submitted in writing to the President and CEO not later than 50 days prior to the Annual Meeting.

If, prior to election, any person placed in nomination, according to the provisions of this section, shall die, become incapacitated, ineligible or decline to stand for election, the name of a substitute candidate may be submitted to the President and CEO. Such substitute additional nomination(s) shall be submitted to the Annual Meeting in the same manner as under Section 1 of this Article.

SECTION 3. Elections at Annual Meeting. The Annual Meeting shall receive the nominations as provided in Sections 1 and 2 hereof, except those serving ex officio as officers; and nominations for members of the Nominating Committee; and the nominees receiving the highest number of votes shall be elected.

SECTION 4. Terms of Officers and Directors. Officers and directors elected at any Annual Meeting shall take office at such times as may be specified by the Board of Directors, and thereafter until their respective successors have been elected and have qualified. The Chair of the Board, elected by each Annual Meeting, shall serve as a voting director for one additional year or thereafter until a successor has qualified as director. Each voting director shall be a director, officer, or employee of a full member.

SECTION 5. Vacancies. Notwithstanding any other provisions of this Article, the Board of Directors may make appointments between Annual Meetings to fill vacancies on the Board of Directors. The Board of Directors also shall fill vacancies in the positions of officers, directors and members of the Nominating Committee. Terms for directors appointed under this section and for persons appointed to fill vacancies in elected offices or on the Nominating Committee shall expire as specified by the Board of Directors.

SECTION 6. Removal of Directors. Any director or officer of this Association may be removed from office for good cause by a majority vote of the Board of Directors; provided, however, that removal from office must be preceded by notice to such director or officer of the reason(s) for such action at least 30 days prior to the meeting at which such vote is to be taken and such director or officer shall have the right to appear before and be heard by the Board either in person or in writing prior to such vote.

ARTICLE X

Sections and Committees

SECTION 1. Nominating Committee. A Nominating Committee, consisting of the AGA Chair, First Vice Chair, Second Vice Chair if nominated and elected, Immediate Past Chair, and Chair of the Coordinating Council for Smaller Member Companies, shall be elected by the

Annual Meeting. In the event a Second Vice Chair has not been nominated and elected or there is a vacancy, the AGA Chair may select additional members from Past Chairs of AGA who remain active with the Association for inclusion on the Nominating Committee. There shall be five members of the Nominating Committee. The Chair of the Committee shall be the First Vice Chair of the Board. The Committee shall nominate eligible persons to serve as officers and directors of the Association and shall submit its nominations to the President and CEO and to the Annual Meeting as prescribed in Article IX, and perform such other duties as the Board may direct.

SECTION 2. Sections.

a. Establishment. This Association shall have such Sections as may be established (a) by the Board of Directors; or (b) upon written application of at least 50 full members, when approved by a majority of the full members voting at an Annual Meeting or Special Meeting. All Sections shall have such duties and follow such procedures as the Board shall prescribe.

b. Minimum Members. At the discretion of the Board of Directors, no Section shall be continued unless it achieves within one year and maintains thereafter an accredited enrollment of at least 200 individual members in good standing.

c. Committees. The respective Sectional Chairs, subject to approval by the Board of Directors, may appoint committees to deal with matters relating to the activities of their Sections.

SECTION 3. Other Association Committees.

The Chair of the Board, with the consent of the Board of Directors, may appoint other general or special committees of this Association and define the functions and designate the chairs of such committees and the members to serve thereon.

SECTION 4. Quorum and Voting. The quorum at committee and section meetings shall be a majority unless otherwise authorized by the Board of Directors. In all matters which require voting of committee or section members, a majority vote of the members participating shall carry, provided a quorum is present.

ARTICLE XI

Parliamentary Rules

The rules of parliamentary procedure in Robert's Rules of Order, except as they may conflict with these Bylaws, shall govern all meetings of this Association.

ARTICLE XII

Property and Funds

SECTION 1. *Property.* The Association may take and hold any and all property, real or personal, necessary or appropriate for its purposes.

SECTION 2. *Funds.* All monies due this Association shall be paid to the Treasurer and deposited in a bank or banks or otherwise invested as directed by the Board of Directors. All disbursements shall be approved for payment and paid in accordance with regulations adopted by the Board of Directors.

SECTION 3. *Execution of Contracts.* The Board of Directors, except as otherwise provided in these Bylaws, may prospectively or retroactively authorize any officer or officers, agent or agents, in the name and on behalf of the Association, to enter into any contract or execute and satisfy any instrument

SECTION 4. *Loans.* The Board of Directors may prospectively or retroactively authorize the President and CEO or any other officer or agent of the Association to effect loans and advances at any time for the Association from any institution, or individual, and may execute promissory notes, bonds, or other certificates or evidences of indebtedness of the Association, and pledge or transfer any securities or other real or personal property of the Association as security.

SECTION 5. *Voting of Securities held by the Association.* Stocks and other securities owned by the Association may be voted, in person or by proxy, as the Board of Directors shall specify. In the absence of any direction by the Board of Directors, such stocks and securities shall be voted as the President and CEO shall determine.

SECTION 6. *Fiscal Year.* The fiscal and program year of this Association shall be the calendar year unless otherwise directed by the Board of Directors.

ARTICLE XIII

Indemnification of Officers, Directors, Employees and Agents

Directors, officers, and other employees or agents of the Association may be indemnified against any claims for liability arising in connection with their positions or activities on behalf of Association to the full extent permitted by law, if they acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action, had no reasonable cause to believe the conduct was unlawful, and shall be indemnified to the extent that they are successful on the merits or otherwise in defense of any such claim. Such indemnification may be paid prior to the final disposition of any claims, and the Association may maintain appropriate insurance for such claims.

ARTICLE XIV

Proxies

Every member entitled to vote at an Annual Meeting, Special Meeting, Sectional Meeting, Section committee or other general or special committee of the Association, or to express consent or dissent without a meeting, may authorize another person or persons to act by proxy. A proxy must be in writing and signed by the member or attorney-in-fact. No proxy shall be valid after 11 months from the date thereof. Every proxy shall be revocable at the pleasure of the member executing it, but such revocation shall not affect any vote taken before such revocation.

ARTICLE XV

Amendments, Alterations and Repeal of Bylaws

These Bylaws may be amended, repealed, or altered, in whole or in part, by a majority of the full members voting, provided that the proposed change shall have been approved by the Board of Directors and provided that a copy of such changes shall have been sent to each full member at least 30 days prior to the day on which the vote is to be taken.

END