

Annotated

Summary of Grid West Operational Bylaws Provisions Related to Accountability and Member Protection

Introductory note: *This summary was distributed at the Grid West Forum on November 17, 2005. This annotated document has been revised to add gray shading to elements of the Grid West Operational Bylaws described in this summary that the bylaws work group has recommended removing to improve organizational workability without sacrificing accountability.*

Overview:

Grid West's Operational Bylaws contain numerous provisions that enable members, regulators, and other regional stakeholders to participate in the Board's decision-making processes. The Grid West Board of Trustees cannot make major decisions about Grid West activities without first completing a robust consultation process. In some cases this consultation process may trigger provisions that require at least seven Board votes to approve a proposal.

While the Grid West Operational Board must be independent of market participants, they also must receive and consider the views of those Grid West serves. Ultimately, accountability of Grid West to the region means that the organization should answer to the region. For corporate governance structures such as Grid West, this is accomplished through the ability to elect and remove the Trustees charged with managing the organization. If Grid West's members are not satisfied with how the Operational Board performs, Trustees can be replaced as their terms expire. Operational Board members can also be removed from office at any time with a sufficient vote of the Member Representative Committee

Grid West's Board Advisory Committee will provide a forum for members and their affiliates to develop proposals for Grid West activities, as well as consult with and provide input to the Board of Trustees on Board proposals, such as tariff provisions, reliability or operating standards. Each member of the corporation may appoint up to three members to the Board Advisory Committee. For example, a utility member could appoint one member from its transmission function and another from its merchant function. A state member could appoint representatives from its public service commission, governor's office, and energy office. A Large Bundled End-User Member could appoint a member from its affiliated co-generator.

The Board Advisory Committee can refer matters to Grid West staff for study and investigation or provide input and advice to the Board through work groups that develop position papers on issues. The Board must seek and consider the Committee's advice before acting on tariff, rates, amendments to transmission agreements, transmission system planning matters, measures related to market power or price mitigation, or budget adoption or modification.

Attachment A to this summary outlines the numerous provisions in the Operational Bylaws that promote Board accountability to members and provide member protections. Attachment B contains excerpts from the Operational Bylaws related to the standard of care and guiding principles that govern Board decision-making. Attachment C lists additional accountability provisions in the Operational Bylaws (beyond the member rights and protections listed in Attachment A).

ATTACHMENT A

Accountability of Grid West to its Members (Operational Bylaws)

Introduction

It is important to keep in mind the different relationships entities have with Grid West. Each relationship has different rights.

1. This document outlines the rights a member of Grid West has to participate in the corporate governance decisions of Grid West. Grid West is organized as a non-profit member corporation. Membership rights are defined in Grid West's articles of incorporation and bylaws.
2. An entity is also able to purchase services from Grid West under Grid West's tariff. The tariff will define the relationship between Grid West as a service provider and the entity as a service customer, including rights to dispute resolution for tariff disputes.
3. An entity that owns transmission is able to sign a Transmission Agreement with Grid West. The Transmission Agreement will define the terms and conditions upon which Grid West may manage the transmission owners' facilities.
4. To the extent Grid West is offering services subject to the jurisdiction of the Federal Energy Regulatory Commission (FERC), entities affected by Grid West have certain rights afforded by the Federal Power Act and FERC regulations.

Membership in Grid West

This document explains the manner in which Grid West is accountable to the interests of its Members.

Entities Eligible for Membership in Grid West

Any Person may become a "member" of Grid West if the Person (1) is a Major Transmitting Utility; Transmission-Dependent Utility; Generators, Power Marketers, Large Generating End-Use Consumers, and Others; End-Use Consumer; State or Provincial Energy Authority; Tribe; or Certain Public Interest Group and (2) pays a \$1,000 annual membership fee. [Section 5.3.2] The annual membership fee may be waived for certain applicants for membership. [Section 5.3.2]

Rights of a Member to Participate in Grid West Governance Decisions

1. Members provide guidance to Board of Trustees through:
 - a. Advisory votes initiated by Board [*Sections 5.15 and 8.5.3*], including mandatory advisory votes where the Corporation's budget exceeds certain projections [*Section 5.15.2*]
 - b. Resolutions initiated and approved by Members [*Section 5.1.3*]
 - c. Proposals and position papers from individual Members or groups of Members [*Sections 8.5.5 and 8.5.9*]
 - d. Recommendations by Member advisory committees [*Section 8.2 and 8.5.3*]
 - e. Members may recommend candidates for board advisory committees [*Sections 5.9.3 and 8.2.2*]
 - f. Review of significant board proposals (tariff modifications, budgets, Special Issues List, etc.) by Member advisory committees and Board Advisory Committee. [*Section 7.16.7(ii) and 8.5.3*]
 - g. Express concern about and require a greater Board vote to approve a proposal Members consider to be a major change in scope [*Section 7.17*]
 - h. Development of proposed Grid West annual budget, estimated budgets for two successive years and estimates of capital commitments for fourth and fifth out-years, and recommendations on proposed budget modifications, by Budget Committee (a majority of whose members are Member representatives). [*Section 8.4.1 and 8.4.2(iv)*]
 - i. Participation in Trustees' meetings (which must occur at least six (6) times per year) and board committee meetings [*Sections 5.1.3, 7.6 and 8.8*]. Receive notice of Trustee and advisory committee meetings, agendas for Trustee and advisory committee meetings. [*Sections 7.5.2 and 8.8*]. Minutes from Board of Trustee meetings and its committees will be posted on the Grid West Website. [*Section 5.4.6*]
 - j. Interaction with Trustees at annual Members' meeting at which the Trustees and officers must (i) present annual financial statements and copies of the Grid West budgets for current and following fiscal years; (ii) describe Grid West's progress on carrying out its purposes; (iii) discuss other significant matters affecting the Corporation; and (iv) respond to any questions of the Members. [*Section 5.9.1*]

2. Members nominate, elect and remove class or subclass representatives to the Members Representative Committee (MRC). [*Sections 6.3 and 6.6*] Members may propose candidates for election as Trustees. [*Section 7.2.2*] When voting on matters coming before the MRC, each MRC member takes into consideration the interests of the Member Class, the interest of the Members that appointed or elected the representatives, and the purposes of Grid West, and thereafter makes a decision that the MRC member believes in his or her discretion is appropriate. [*Section 6.12*]. The MRC has the following rights and responsibilities:
 - a. Elect and remove Trustees, [*Sections 7.2 and 7.3*]
 - b. Consult with Trustees and vote to accept or reject Trustees' proposals on Special Issues List, [*Section 7.16.7*]
 - c. Initiate a management audit of Grid West, [*Section 6.1.3*]
 - d. Select members of the Membership Dispute Resolution Committee (which resolves all disputes over membership applications, Member qualifications and Member class assignments), [*Section 5.4.3*]
 - e. Select members of the Arbitration Committee (which processes arbitrations and maintains a standing list of arbitrators). [*Section 6.14*]
3. Members approve amendments to Operational Bylaws and Articles of Incorporation proposed by Trustees. [*Section 12.5.2; Articles of Incorporation*]
4. Members vote on and approve amendments to Operational Bylaws proposed by a Member but rejected by Trustees. [*Section 12.5.3*]
5. Members may submit disputes over whether the bylaws have been complied with to alternative dispute resolution. [*Section 13.2.2*]
6. Members may require Trustees to (i) designate a particular independent auditor if dissatisfied with the Trustees' selection or (ii) perform an independent audit within a specified time. [*Section 5.1.2*]
7. Members may submit names of proposed candidates for election as Trustees. [*Section 7.2.2*]
8. Members monitor Trustees' and committees' actions through the open meeting/sunshine requirement [*Section 7.4*] and meeting minutes which must be posted on Grid West website [*Section 7.4.6*] and made available at Grid West office. [*Section 10.1*]

9. Members monitor Grid West financial health and Trustees' success in controlling costs and meeting other performance standards by reviewing Grid West's records of accounts and finances available at Grid West office [Section 10.1] and annual and quarterly reports delivered to Members by Trustees. [Section 10.2.3]
10. State and provincial energy agencies and commissions (Members and non-Members) have separate consultation track through the Governmental Committee. [Section 8.6] Trustees must also formally consult with the Governmental Committee before voting on a proposal on the Special Issues List. [Section 7.16.7]
11. Members approve any proposed merger or disposition of significant assets. [Section 12.4.5]
12. Members approve dissolution of Grid West as proposed by Trustees [Section 12.4.2]. Members also have a right to vote on a proposed dissolution required to be submitted by Trustees to Members upon rejection by Members of (a) a Federal Energy Regulatory Commission (FERC)-ordered change to Articles of Incorporation or bylaws or (b) a Trustees' decision following a FERC order or rule to treat a provision of the Articles of Incorporation or bylaws as preempted or otherwise inoperative. [Section 12.4.3]

ATTACHMENT B

Grid West Board of Trustees Standard of Care

Section 7.12 of the Grid West Operational Bylaws contains detailed provisions concerning how the Board of Trustees should make decisions and the matters it must consider in connection with its decision. Below are excerpts from the Grid West Operational Bylaws with some of the most significant of these provisions:

Operational Bylaws Excerpts

7.12 Standard of Care.

7.12.1 General Standard for Decisions. A Trustee shall perform the duties of a Trustee, including duties as a member of any committee of the Board of Trustees on which the Trustee may serve, in good faith, in a manner that such Trustee believes to be in the best interests of the Corporation in achieving the purposes set forth in Article III, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

7.12.2 Guiding Principles for Decisions. The Board of Trustees when considering whether to adopt a proposal regarding the provision of transmission services (including the Special Issues List), shall, at a minimum, take into account the following considerations to satisfy itself that any proposal adopted is warranted:

(i) the proposed change responds to a current, identifiable problem or opportunity and is reasonably expected to result in an improvement over existing practices;

(ii) the benefits of the proposed change (qualitative or quantitative) the Trustees expect to result from the change, taken individually or in conjunction with other prior or anticipated changes, are likely to be greater than the anticipated burdens of the proposed change;

(iii) the proposed change can be implemented in a manner that is not inconsistent with

(a) the Corporation's legal obligations,

(b) Transmission Agreements,

(c) third-party agreements for coordination of generating resources, and

(d) third-party agreements for transmission services that were

(1) executed by transmission owners and operators signing Transmission Agreements, and

(2) in existence before the Corporation offers transmission services;

(iv) the proposed change is not reasonably expected to preclude the implementation of further changes in the future to solve remaining problems (including remaining items on the Special Issues List) or take advantage of opportunities; and

(v) the proposed change is reasonably designed to minimize or mitigate cost shifts.

ATTACHMENT C

Other Accountability Provisions in Operational Bylaws

In addition to member rights related to Board decision-making, the Grid West Operational Bylaws contain a number of other provisions designed to foster Board accountability to the region. Below are excerpts from (or summaries of provisions from) the Grid West Operational Bylaws with some examples of these provisions.

Special Issues List

The Board of Trustees must to consult with and conduct a Members Representative Committee (MRC) vote before it exercises authority relating to “Special Issues.” The Board must also consult with members and the Governmental Committee before making a proposal covered by the Special Issues List.

Unless a Board proposal to take action on a Special Issue is approved by the affirmative vote of at least 16 representatives on the MRC (or is within the scope of a prior authorization), the proposal is remanded to the Board for further consideration. If the Board wishes to pursue the proposal after remand, it must obtain the affirmative vote of at least seven trustees. Moreover, after a remand by the MRC, the Board may not implement any proposal that obtains the necessary supermajority Board vote until at least 30 days after the second vote.

The “Special Issues List” includes:

- authorization for Grid West to exercise backstop measures (authority to arrange for transmission construction) with respect to chronic, significant, commercial congestion,
- departure from using the “Company Rate approach,”
- authorization to issue financial rights,
- authorization for Grid West’s market monitor to impose penalties or actively intervene in markets, and
- authorization to change a transmission owner’s loss methodology.

Regional Consultation Obligations

7.12.4 On-Going Regional Consultation. In addition to complying with the mandatory consultation provisions applicable to the Special Issues List and as set forth in Section 7.16 of these Operational Bylaws, the Board of Trustees shall develop (and may, as it deems appropriate, modify from time to time) general policies and procedures designed to promote ongoing input to the Board of Trustees from interested parties

throughout the Geographic Area (including Members and Governmental Committee) and to provide clear, useful information to interested parties throughout the Geographic Area concerning the Corporation's activities and policies and any potential changes to the Corporation's existing practices.

Governmental Committee

8.6 Governmental Committee.

8.6.1 Participation on the Governmental Committee. There shall be a Governmental Committee consisting of representatives of the Corporation, interested members of the State or Provincial Energy Authority Member Sub-Class and Tribes Member Sub-Class, and representatives of electricity regulatory commissions of Participating Jurisdictions that are not Members of the Corporation. Membership in the Corporation is not required for Participating Jurisdictions to participate on the Governmental Committee.

8.6.2 Purpose of the Governmental Committee. The purpose of the Governmental Committee is to provide consultation and such other activities as the Board of Trustees and representatives of Participating Jurisdictions may agree are appropriate regarding the fulfillment of the Corporation's purposes. The structure, organization, and administration of the Governmental Committee shall be defined by the participants on the Governmental Committee.

Board Performance Committee

8.7 Board Performance Committee.

8.7.1 Trustees on the Board Performance Committee. There shall be a Board Performance Committee of the Board of Trustees consisting of three (3) or more Trustees appointed by the Board of Trustees.

8.7.2 Role of the Board Performance Committee. The Board Performance Committee shall

- (i) monitor developments in sound corporate governance practice;
- (ii) assist the Board of Trustees in annually assessing the Board of Trustees' performance;
- (iii) make recommendations for improvements to the Board of Trustees' performance;
- (iv) provide annual reports to the Board of Trustees concerning the performance of the Corporation's officers; and

(v) perform such other functions as the Board of Trustees may delegate or direct.

MRC Management Audit Rights

6.1.3 Management Audit Rights. The MRC may initiate a management audit to be conducted by a qualified independent entity no more frequently than once every four (4) years. The independent auditor shall be chosen and overseen by the majority vote of three (3) members of the MRC (chosen by the MRC) and three (3) members of the Board of Trustees (chosen by the Trustees).

Required Member Advisory Committees

8.2.1 Initial Required Member Advisory Committees. Promptly after the adoption of these Operational Bylaws, the Board of Trustees shall form the advisory committees specified in Sections 8.2.1(i) through 8.2.1(iii). The Board of Trustees shall maintain the advisory committees specified in Sections 8.2.1(i) through 8.2.1(iii) for not less than four (4) years following adoption of these Operational Bylaws, but may thereafter modify or disband these advisory committees; provided, however, that before disbanding any committee specified in Sections 8.2.1(i) through 8.2.1(iii), the Board of Trustees should consider how disbanding the committee would affect Member participation in the formulation of policies, protocols, tariff provisions and any other rules or guidance pertinent to the subject area of a committee. Nothing in this Section 8.2.1 shall limit the power of the Board of Trustees to form, modify, or disband advisory committees other than those specified in Sections 8.2.1(i) through 8.2.1(iii).

(i) Tariff Committee. As provided in Section 8.2.1, the Corporation shall have a Tariff Committee to advise the Board of Trustees on the Corporation's tariff(s). The Tariff Committee shall consist of up to fifteen (15) representatives of Members appointed by the Board of Trustees. Trustees may, but are not required to, serve on the Tariff Committee. The Board of Trustees shall endeavor to select representatives from each of the Member Classes to serve on the Tariff Committee, and shall endeavor to select individuals who collectively possess an appropriate spectrum of expertise with respect to defining the terms and conditions for electric transmission services and participation in related markets.

(ii) Operations Committee. As provided in Section 8.2.1, the Corporation shall have an Operations Committee to advise the Board of Trustees on electric transmission system and market operations. The Operations Committee shall consist of up to fifteen (15) representatives of Members appointed by the Board of Trustees. Trustees may, but are not required to, serve on the Operations Committee. The Board of Trustees shall endeavor to select representatives from each of the Member Classes to serve on the Operations Committee, and shall endeavor to select individuals who collectively possess an

appropriate spectrum of expertise with respect to electric transmission and market operations.

(iii) Planning Committee. As provided in Section 8.2.1, the Corporation shall have a Planning Committee to advise the Board of Trustees on transmission-planning matters. The Planning Committee shall consist of up to fifteen (15) representatives of Members appointed by the Board of Trustees. Trustees may, but are not required to serve on the Planning Committee. The Board of Trustees shall endeavor to select representatives from each of the Member Classes to serve on the Planning Committee, and shall endeavor to select individuals who collectively possess an appropriate spectrum of expertise with respect to electric transmission planning.

8.2.2 Consideration of Member-Submitted Candidates. In appointing representatives of Members to the advisory committees specified in Sections 8.2.1(i) through 8.2.1(iii), the Board of Trustees shall consider candidates whose names have been submitted by Members in accordance with Section 5.9.3.

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8.5 Board Advisory Committee.

8.5.1 Participation on the Board Advisory Committee. The Corporation shall have a Board Advisory Committee to provide advice to the Board of Trustees on Board of Trustee decisions and other matters of significance to the Corporation. Membership on the Board Advisory Committee shall be open to any Member and its Affiliates. A Member and its Affiliates may participate on the Board Advisory Committee upon the Member providing the Secretary of the Corporation written notice of the name, address, telephone number, facsimile number, and electronic mail address of its representatives. A Member may appoint no more than three (3) representatives and three (3) alternates, who represent the interests of the Member or its Affiliates. A Member may at any time, effective upon notice to the Secretary of the Corporation, replace the individuals who are authorized to participate on the Board Advisory Committee. Each Member warrants to the Corporation and to the other Members that the individuals appointed to the Board Advisory Committee have the authority to participate in the Board Advisory Committee on behalf of the Member or Affiliate, and are authorized to participate in debate and consider input from others before taking a position. The Corporation shall maintain at all times a current list of the name, address, affiliation, and interest of each individual appointed to the Board Advisory Committee. The list shall be posted on Grid West's Website and updated periodically.

8.5.2 Purpose of the Board Advisory Committee. The Board Advisory Committee shall advise the Board of Trustees on additions and revisions to the Corporation's rules and protocols, tariffs, reliability and operating standards, other technical matters, and other matters of concern to members of the Board Advisory Committee. The Board Advisory Committee may advise the Board of Trustees

concerning any other issues relating to the Corporation, and may consider issues referred for the Board Advisory Committee's consideration from any source, including the Board of Trustees, any member of the Board Advisory Committee, any Member, or any officer or employee of the Corporation. The Board of Trustees shall be required to consider any advice of the Board Advisory Committee that is timely provided to the Board of Trustees along with any other advice properly presented to the Board of Trustees without limiting the discretion or authority of the Board of Trustees to consider and take action on any matter in accordance with the provisions of these Operational Bylaws, the Articles of Incorporation, and applicable law.

8.5.3 Matters Requiring Advice to the Board of Trustees. Except in the case of emergency as declared by the Board of Trustees, the Board of Trustees shall submit any proposed action concerning the matters enumerated below to the Budget Committee (if applicable) or an appropriate advisory committee under Section 8.2 if there is an advisory committee to address the relevant subject matter. After receiving any committee recommendations, the Board of Trustees shall provide an opportunity to the Board Advisory Committee and Governmental Committee to advise the Board of Trustees concerning the following matters prior to any final action thereon by the Board of Trustees:

- (i) any proposed amendment or modification to the Grid West Tariff (including any proposed amendment or modification to the Corporation's rates or revenue requirements);
- (ii) any proposed amendment or modification to the forms of the Transmission Agreements;
- (iii) Grid West transmission system planning matters;
- (iv) the annual budget of the Corporation (including potential budget reductions and financial controls when a proposed budget materially exceeds the expenses for the prior audited fiscal year) and any subsequent modification to the annual budget; and
- (v) any proposed measures to implement market power or price mitigation.

Such opportunity shall be afforded through notice to the Board Advisory Committee and Governmental Committee of any such proposed action not less than thirty (30) days prior to any final action thereon by the Board of Trustees; provided, however, that the Board of Trustees shall endeavor to provide the annual budget and any subsequent modification to the Board Advisory Committee and Governmental Committee at least ninety (90) days prior to any final action thereon by the Board of Trustees. Notice of all matters on which the Board Advisory Committee and Governmental Committee shall have the opportunity to advise the Board of Trustees prior to this Section 8.5.3 shall be posted on the Grid West Website and sent, not less

than thirty (30) days before any final action, to each member of the public who has requested notice of Member meetings, for the purpose of allowing public comment and advice by the Board Advisory Committee and Governmental Committee. All public comments shall be made available to the Board Advisory Committee and Governmental Committee by the Secretary of the Corporation.

8.5.4 Procedures for Proposing and Commenting on Issues. The Board Advisory Committee shall develop procedures to ensure that each Board Advisory Committee member has an adequate opportunity to propose issues for, and comment on issues under, consideration by the Board Advisory Committee.

8.5.5 Position Papers. The members of the Board Advisory Committee shall not vote on any issue. Any one (1) or more members of the Board Advisory Committee who wish to provide advice to the Board of Trustees may do so in the form of a position paper. Any such position paper shall be accompanied by the name of each Board Advisory Committee member who supports the advice provided in such paper.

8.5.6 Chairperson and Vice Chairperson of the Board Advisory Committee. The Board Advisory Committee shall select a chairperson and a vice chairperson who will convene and conduct the meetings of the Board Advisory Committee. The Board of Trustees shall be required to meet with the chairperson of the Board Advisory Committee not fewer than four (4) times each fiscal year, advance notice of which shall be provided to other members of the Board Advisory Committee to afford them an opportunity to attend.

8.5.7 Procedures for Conducting Business of the Board Advisory Committee. The Board Advisory Committee shall develop procedures to ensure that the business of the Board Advisory Committee is conducted in an effective, organized, and timely manner. Members of the Board Advisory Committee shall have authority to refer matters to the staff of the Corporation for study and investigation (subject to the imposition by the Board of Trustees and the President of the Corporation of reasonable controls on the use of staff time and resources).

8.5.8 Formation of Ad Hoc or Standing Work Groups. The Board Advisory Committee may form one (1) or more *ad hoc* or standing work groups to assist in accomplishing its functions. Such work groups shall be open to membership and participation by any interested Member. Board Advisory Committee members may also form groups of participants sharing common views to develop position papers.

8.5.9 Members Ability to Be Heard on Matters Before the Board of Trustees. Notwithstanding any provision of this Section 8.5, the existence of the Board Advisory Committee, and any action or failure to act by the Board Advisory Committee or any member thereof, shall not prevent any Member from appearing before, or being heard on any matter before, the Board of Trustees.

Required Records and Member Inspection Rights

10.1 Records; Inspection of Records.

10.1.1 Records. The Corporation shall keep or cause to be kept at its principal office the following records:

(i) the Articles of Incorporation and all amendments and restatements thereof and a copy of all documents qualifying the Corporation to do business within a state;

(ii) the Corporation's bylaws and all amendments thereof, duly certified by the Secretary of the Corporation;

(iii) a record of Members, including the name, address, and Member Class of each Member;

(iv) correct and adequate records of accounts and finances;

(v) a record of officers' and Trustees' names and addresses;
and

(vi) minutes of all meetings of the Members and of all meetings of the Board of Trustees and each committee thereof (other than closed sessions held pursuant to the applicable provisions of the Corporation's bylaws and Board Advisory Committee meetings except for proposals and advice to the Board of Trustees).

10.1.2 Member Inspection of Records. The records kept pursuant to this Section 10.1 shall be open at any reasonable time to inspection by any Member. Such records may be written, or electronic if capable of being converted to writing. The Corporation may impose reasonable charges for any copies of the Corporation's records that a Member requests in connection with exercising its inspection rights under this Section 10.1.2.

Reporting Requirements

10.2.3 Reports Concerning Financial Status. The Board of Trustees shall cause the reports set forth below concerning the Corporation's financial status to be prepared and delivered to the Members. The Board of Trustees may require that reports concerning the Corporation's financial status be made available to the general public subject to a requirement that requesting parties pay the reasonable costs of providing the reports.

(i) Annual Report. As soon as reasonably practical after the close of the Corporation's year, a report including the financial statements and performance results shall be furnished. The annual report shall include a report

from the independent accountants, **specific descriptions of actual performance results in terms of cost management**, and other performance targets adopted by the Board of Trustees.

(ii) Quarterly Report. As soon as reasonably practical after the close of each quarter, quarterly financial statements of the Corporation shall be prepared in accordance with generally accepted accounting principles and requirements of FERC. **The quarterly financial reports will include a thorough comparison to the budget adopted by the Board of Trustees. In addition, the quarterly report will include a status report on accomplishing the performance targets adopted by the Board of Trustees.**

FERC-Ordered Changes

12.4.3 Special Rule – FERC-Ordered Changes to Articles of Incorporation or Operational Bylaws. If FERC orders a change to or issues an order or rule that preempts or otherwise renders inoperative a provision of the Articles of Incorporation or these Operational Bylaws, the Board of Trustees shall preserve its rights of appeal. If FERC orders a change to or issues an order or rule that preempts or otherwise renders inoperative a provision of the Articles of Incorporation or these Operational Bylaws, and the Members do not approve the change to the Articles of Incorporation according to the provisions of the Articles of Incorporation, do not approve the change to these Operational Bylaws according to the provisions of Section 12.5.2, or do not approve any decision by the Board of Trustees to treat a provision of the Articles of Incorporation or these Operational Bylaws as preempted or otherwise inoperative by the same majority as required in Section 12.5.2, the Board of Trustees shall convene a special meeting of the Members to vote on the dissolution of the Corporation according to a plan of dissolution developed by the Board of Trustees that includes the restructuring costs of the transmission owners and operators signing Transmission Agreements. The Board of Trustees shall dissolve the Corporation if the plan of dissolution developed by the Board of Trustees receives the approval of at least four (4) out of five (5) Member Classes, each by a margin of at least two-thirds (2/3) of the total voting power held by the Member Class (provided that the vote of Members must also comply with the requirements of RCW 24.03.220). The vote by each Member Class shall be tabulated separately. In addition, with respect to Member Classes that include Member Sub-Classes, the proportion of voting power cast in each Member Sub-Class shall be tabulated separately, then aggregated with tabulation of other Member Sub-Class votes within the Member Class to determine the proportion of voting power within the Member Class as a whole that has voted in favor of or against the proposal or resolution. An example of how Member Class and Member Sub-Class voting power is to be calculated is set forth in Exhibit A. Notwithstanding Section 5.10.2, the proposed vote must be included on the proposed agenda for the meeting of Members in order for a vote to be taken on a proposed dissolution.