

DRAFT
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BYLAWS

OF

SUSTAINABLE ENERGY UTILITY, INC.

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BYLAWS
OF
SUSTAINABLE ENERGY UTILITY, INC.

ARTICLE I

CORPORATE OFFICES

1.1 Registered Office.

The registered office of Sustainable Energy Utility, Inc. (“SEU” or the “Corporation”) shall be 1011 Centre Road, Suite 201, Wilmington, County of New Castle, State of Delaware. The name of the registered agent of the Corporation at such location is Francis J. Murphy, Esq.

1.2 Other Offices.

The Board of Directors may at any time establish other offices at any place or places where the Corporation is qualified to do business.

ARTICLE II

DIRECTORS

2.1 Powers.

The Board of Directors of the Corporation, also referred to as the SEU Oversight Board, may exercise all such powers granted to it under Delaware Law. The powers of the Board of Directors shall include the power to:

(a) Review and approve Requests for Proposals (“RFPs”) developed by the Delaware Energy Office for the contracts of the Contract Administrator and Fiscal Agent.

(b) Review and approve the annual and contract-term Corporation performance targets recommended by the Contract Administrator.

(c) Review and approve any proposed modifications to Corporation performance targets or program designs during the contract term of the Contract Administrator.

(d) Contract an independent professional agency to monitor and verify results reported by the Contract Administrator in annual and contract-term reports.

(e) Receive biannual reports from the Delaware Energy Office and offer recommendations to the Delaware Energy Office regarding the management of the Corporation.

2.2 Number and Appointment of Directors.

The Board of Directors shall consist of eleven (11) members. Upon the adoption of these Bylaws, the Board of Directors shall consist of the individuals listed on Schedule A attached hereto who were appointed or are serving *ex officio* pursuant to this Section 2.2. Subsequent directors shall serve or be appointed as follows: (i) the Secretary of the Delaware Department of Natural Resources and Environmental Control and the Delaware Public Advocate shall each serve as a director *ex officio* or shall appoint a designee; (ii) the Governor of Delaware shall appoint seven (7) directors; (iii) the President Pro Tempore of the Senate of the Delaware General Assembly shall appoint one (1) director; and (iv) the Speaker of the House of Representatives of the Delaware General Assembly shall appoint one (1) director. A public official with appointment powers pursuant to this Section 2.2 is referred to herein as a "Designator," and there are no limitations on the ability of a Designator to appoint himself or herself as a director of the Corporation. The State Energy Coordinator in the Delaware Energy Office shall serve as a non-voting member of the Board of Directors *ex officio*. Any individual serving as a voting or non-voting director *ex officio* by reason of holding a public office shall automatically be appointed, removed, or treated as resigning when he or she is appointed, removed, or resigns, respectively, from such public office. Appointments pursuant to this Section 2.2 shall be accomplished by delivery of written notification from the respective Designator, or his or her authorized representative (the "Appointment Notice"), to a Chairperson. In the absence of an Appointment Notice addressed to the Corporation, any individual appointed to serve as a director of the Corporation shall notify the Board of Directors of the Corporation of his or her appointment by attending a meeting of the Board of Directors and delivering a copy of the written appointment notice he or she received from a Designator. All Appointment Notices and other written evidence of appointments shall be filed in the minute book of the Corporation. Appointments shall be effective as of the specified future date in the Appointment Notice, or if no date is specified the date of receipt by a Chairperson of such Appointment Notice. Unless earlier removed hereunder, the terms of the initial directors shall expire with the annual meeting of the Board of Directors in the year indicated on Exhibit A, which are staggered so that not more than one-third plus one of the directors' terms shall expire in any one year. With the exception of an *ex officio* director, who shall serve for so long as he or she holds the respective public office, subsequent directors shall serve terms of four (4) years unless earlier removed. Directors may serve any number of consecutive terms.

2.3 Resignation And Vacancies.

Any director may resign at any time upon written notice to the attention of a Chairperson. Any vacancy created by resignation may be filled by the then current Designator on whose behalf such resigning director was appointed for the remainder of the resigning director's term.

2.4 **Place Of Meetings; Meetings By Telephone.**

The Board of Directors of the Corporation may hold meetings, both regular and special, within the State of Delaware.

Unless otherwise restricted by the Certificate of Incorporation, these Bylaws, or the Delaware Freedom of Information Act, as amended, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

2.5 **Delaware Freedom of Information Act.**

Notwithstanding any other provision in these Bylaws, all meetings of the Board of Directors or any committee thereof shall be held and conducted, and notice of all such meetings provided, in accordance with the Delaware Freedom of Information Act, as amended. Every meeting of the Board of Directors shall be open to the public except those closed pursuant to the Delaware Freedom of Information Act, as amended. The Board of Directors may hold an executive session closed to the public upon affirmative vote of a majority of the directors present at a meeting of the Board of Directors. The vote on the question of holding an executive session shall take place at a meeting of the Board of Directors which shall be open to the public, and the results of the vote shall be made public and shall be recorded in the minutes. The purpose of such executive sessions shall be set forth in the agenda and shall be limited to the purposes listed in the Delaware Freedom of Information Act, as amended. Executive sessions may be held only for the discussion of public business, and all voting on public business must take place at a public meeting and the results of the vote made public.

2.6 **Regular Meetings; Notice.**

Regular meetings of the Board of Directors shall be held at such time and at such place as shall from time to time be determined by the Board of Directors.

The Board of Directors shall give public notice of their regular meetings and of their intent to hold an executive session closed to the public, at least seven (7) days in advance thereof. The notice shall include the agenda, if such has been determined at the time, and the dates, times and places of such meetings; however, the agenda shall be subject to change to include additional items including executive sessions or the deletion of items including executive sessions which arise at the time of the Board of Directors' meeting.

Public notice shall include, but not be limited to, posting as required by the Delaware Freedom of Information Act, as amended, and making a reasonable number of such notices available. When the agenda is not available as of the time of the initial posting of the public notice it shall be added to the notice at least six (6) hours in advance

of said meeting, and the reasons for the delay in posting shall be briefly set forth on the agenda.

2.7 Special Meetings; Rescheduled Meetings; Notice.

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by a Chairperson or any two directors.

Notice of the time and place of special meetings shall be delivered personally or by telephone to each director or sent by first-class mail, facsimile, electronic transmission, or telegram, charges prepaid, addressed to each director at that director's address as it is shown on the records of the Corporation. If the notice is mailed, it shall be deposited in the United States mail at least five days before the time of the holding of the meeting. If the notice is delivered personally or by facsimile, electronic transmission, telephone or telegram, it shall be delivered at least 48 hours before the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director. The notice need not specify the purpose of the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

The Board of Directors shall give public notice of any special or rescheduled meeting as soon as reasonably possible, but in any event no later than 24 hours before such meeting. A special or rescheduled meeting shall be defined as one to be held less than seven (7) days after the scheduling decision is made. The notice shall include the agenda, if such has been determined at the time, and the dates, times and places of such meetings; however, the agenda shall be subject to change to include additional items including executive sessions or the deletion of items including executive sessions which arise at the time of the Board of Directors' meeting. The public notice of a special or rescheduled meeting shall also include an explanation as to why the required seven day notice could not be given.

Public notice shall include, but not be limited to, posting of said notice pursuant to the Delaware Freedom of Information Act, as amended, and making a reasonable number of such notices available. When the agenda is not available as of the time of the initial posting of the public notice it shall be added to the notice at least six (6) hours in advance of said meeting, and the reasons for the delay in posting shall be briefly set forth on the agenda.

2.8 Quorum.

At all meetings of the Board of Directors, a majority of the total number of directors shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the Certificate of Incorporation. If a quorum is not present at any meeting of the

Board of Directors, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

2.9 Waiver Of Notice.

Whenever notice is required to be given to a director under any provision of the General Corporation Law of Delaware or of the Certificate of Incorporation or these Bylaws, a written waiver thereof, signed by the person entitled to notice, or waiver by electronic mail or other electronic transmission by such person, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the directors, or members of a committee of directors, need be specified in any written waiver of notice unless so required by the Certificate of Incorporation or these Bylaws.

2.10 Fees And Compensation Of Directors.

No director shall receive financial gain from service on the Board of Directors. Directors shall not be employed by any organization directly or indirectly affiliated with the Corporation or its contractors for a period of not less than two (2) years after the end of their service on the Board of Directors. Directors shall not receive any compensation for their services.

2.11 Removal Of Directors.

A director may be removed, with or without cause, by the then current Designator on whose behalf such director was appointed. Any individual serving as an *ex officio* director shall automatically be removed if he or she is removed, resigns, or is otherwise no longer serving in the applicable public office set forth in Section 2.2. Any removal by a Designator pursuant to this Section 2.11 shall be accomplished by delivery of written notification from such Designator (the "Removal Notice") to a Chairperson. All Removal Notices shall be filed in the minute book of this Corporation. Removals shall be effective as of the specified future date in the Removal Notice, or if no date is specified the date of receipt by a Chairperson of the Removal Notice. Directors may not be removed by the Board of Directors with or without cause.

2.12 Chairperson Or Chairpersons Of The Board Of Directors.

The Corporation shall have one or more Chairpersons of the Board of Directors. A Chairperson or Chairpersons shall be elected by the Board of Directors annually to serve until a successor or successors are elected. Any Chairperson shall be considered an “officer” within the meaning of the Delaware General Corporation Law. If the Board of Directors elects more than one Chairperson, each shall serve with equal authority and be entitled to receive any notices specified in these Bylaws or Delaware law, and all shall have joint and several responsibility for the duties set forth in this Section 2.12. A Chairperson or Chairpersons shall keep, or cause to be kept, minutes of all meetings of the Board of Directors and a minute book containing such minutes and other applicable corporate and tax documentation of the Corporation, including but not limited to, the Certificate of Incorporation, as amended, the Bylaws, as amended, all notices of meetings, all appointments of directors and removals of directors, if any, and the Application for Recognition of Exemption filed with the Internal Revenue Service. A Chairperson or Chairpersons shall also provide, or cause to be provided, notice of all meetings of the Board of Directors and any committee thereof in accordance with these Bylaws and the Delaware Freedom of Information Act. A Chairperson, or each Chairperson, shall have the authority to execute certificates, instruments, or agreements on behalf of the Corporation.

2.13 Additional Officers.

The Board of Directors may appoint, and may authorize a Chairperson to appoint, any other officers that the business of the Corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties determined from time to time by the Board of Directors.

ARTICLE III

COMMITTEES

3.1 Committees Of Directors.

The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors, or in these Bylaws, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but

no such committee shall have the power or authority in reference to the following matters: amending, altering or repealing the Bylaws; electing, appointing or removing any member of any such committee or any director of the Corporation; amending the Certificate of Incorporation, restating the Certificate of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the Corporation; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him by law.

3.2 Advisory Committee.

The Board of Directors shall appoint an Advisory Committee, which may be referred to as the “Advisory Committee” or by such other name as the Board of Directors may decide. The purpose of the Advisory Committee is to provide advice to the Board of Directors on issues of public policy and public education which may enhance the performance and quality of service of the Corporation. The Advisory Committee may include representatives of organizations which represent low and moderate income energy consumers, low and moderate income housing consumers, civic organizations, environmental organizations, the energy industry, the energy efficiency and energy conservation community, the renewable energy community, marketing and public relations, small business, agriculture, accounting, business management, banking, finance, nonprofit communities, the general public, and the academic community. The Board of Directors shall decide the number of Advisory Committee members (including *ex officio* members).

Selection of the Advisory Committee shall occur by a two-thirds vote of Board of Directors members. Advisory Committee members will be recommended by a three-person Selection Committee appointed by the Board of Directors. Criteria for the Advisory Committee members shall include professional experience, community service, reputation, significance to Delaware, a diversified representation of the Delaware community and geographical representation of the State. Nominations for the Advisory Committee may be submitted by Board of Directors members and public solicitation.

The Board of Directors may appoint other advisory committees as it deems necessary.

3.3 Committee Minutes.

Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required. Such minutes shall include a record of those members present and a record, by individual member, of each vote taken and action

agreed upon. Such minutes shall be made available for public inspection and copying as a public record as required by the Delaware Freedom of Information Act, as amended.

3.4 **Meetings And Action Of Committees.**

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Section 2.4 (place of meetings and meetings by telephone), Section 2.5 (regular meetings), Section 2.7 (special meetings and notice), Section 2.8 (quorum), and Section 2.9 (waiver of notice) of these Bylaws, with such changes in the context of such provisions as are necessary to substitute the committee and its members for the Board of Directors and its members; provided, however, that the time of regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee, that special meetings of committees may also be called by resolution of the Board of Directors and that notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board of Directors may adopt rules for the government of any committee not inconsistent with the provisions of these Bylaws.

ARTICLE IV

INDEMNIFICATION OF DIRECTORS AND OTHER AGENTS

4.1 **Indemnification Of Directors And Officers.**

The Corporation shall, to the maximum extent and in the manner permitted by the General Corporation Law of Delaware, indemnify each of its directors and officers against expenses (including attorneys' fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the Corporation. For purposes of this Section 4.1, a "director" of the Corporation includes any person (a) who is or was a director of the Corporation, (b) who is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust, or other enterprise, or (c) who was a director of an enterprise which was a predecessor enterprise of the Corporation, and an "officer" includes any person who is or was a Chairperson or otherwise designated as an officer by the Board of Directors.

4.2 **Indemnification Of Others.**

The Corporation shall have the power, to the maximum extent and in the manner permitted by the General Corporation Law of Delaware, to indemnify each of its agents against expenses (including attorneys' fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the Corporation. For purposes of this Section 4.2, an "agent" of the Corporation includes any person (a) who is or was an agent of the Corporation, (b) who is or was serving at the request of the

Corporation as an employee or agent of another corporation, partnership, joint venture, trust, or other enterprise, or (c) who was an agent of an enterprise which was a predecessor enterprise of the Corporation.

4.3 **Payment Of Expenses In Advance.**

Expenses incurred in defending any action or proceeding for which indemnification is required pursuant to Section 4.1 or for which indemnification is permitted pursuant to Section 4.2 following authorization thereof by the Board of Directors shall be paid by the Corporation in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of the indemnified party to repay such amount if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that the indemnified party is not entitled to be indemnified as authorized in this Article IV.

4.4 **Indemnity Not Exclusive.**

The indemnification provided by this Article IV shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office, to the extent that such additional rights to indemnification are authorized in the Certificate of Incorporation.

4.5 **Heirs, Executors, and Administrators.**

The indemnification and advancement provided by, or granted pursuant to, this Article IV shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a Board member and shall inure to the benefit of the heirs, executors, and administrators of such a person.

4.6 **Insurance.**

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of the General Corporation Law of Delaware.

4.7 **Conflicts.**

No indemnification or advance shall be made under this Article IV, except where such indemnification or advance is mandated by law or the order, judgment or decree of any court of competent jurisdiction, in any circumstance where it appears:

(a) That it would be inconsistent with a provision of the Certificate of Incorporation, these Bylaws, or an agreement in effect at the time of the accrual of the alleged cause of the action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

ARTICLE V

DELAWARE FREEDOM OF INFORMATION ACT; RECORDS AND REPORTS

5.1 Records Available Pursuant To Delaware Freedom Of Information Act.

Notwithstanding any other provision in these Bylaws, the Corporation shall be governed by and subject to the Delaware Freedom of Information Act, as amended, with respect to the maintenance and public availability of its records.

5.2 Maintenance And Inspection Of Records.

The Corporation shall, at such place or places as designated by the Board of Directors, maintain its minute book and keep copies of all of its corporate, tax, and other records.

The Board of Directors shall maintain minutes of all meetings, including executive sessions, and shall make such minutes available for public inspection and copying as a public record. Such minutes shall include a record of those directors present and a record, by individual director, of each vote taken and action agreed upon. Such minutes or portions thereof, and any public records pertaining to executive sessions, may be withheld from public disclosure as permitted by the Delaware Freedom of Information Act, as amended.

5.3 Inspection By Directors.

Any director shall have the right to examine the Corporation's books and records for a purpose reasonably related to his or her position as a director. The Court of Chancery is hereby vested with the exclusive jurisdiction to determine whether a director is entitled to the inspection sought. The Court may summarily order the Corporation to permit the director to inspect any and all books and records, and to make copies or extracts therefrom. The Court may, in its discretion, prescribe any limitations or conditions with reference to the inspection, or award such other and further relief as the Court may deem just and proper.

5.4 **Inspection By The Public.**

The Corporation's books and records that are subject to the Delaware Freedom of Information Act, as amended, shall be open to inspection and copying by any citizen of Delaware during regular business hours by the custodian of the records for the Corporation. Reasonable access to and reasonable facilities for copying of these records shall not be denied to any citizen. If the record is in active use or in storage and, therefore, not available at the time a citizen requests access, the custodian shall so inform the citizen and make an appointment for said citizen to examine such records as expediently as they may be made available. The Corporation shall establish rules and regulations regarding access to Corporation books and records.

ARTICLE VI

GENERAL MATTERS

6.1 **Checks, Drafts, Etc.**

All checks, drafts, or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by a Chairperson and in such manner as shall from time to time be determined, in accordance with Delaware Law, by resolution of the Board of Directors.

6.2 **Execution Of Corporate Contracts And Instruments.**

The Board of Directors, to the extent permitted by Delaware Law and except as otherwise provided in these Bylaws, may authorize any director or agent to enter into any contract or execute any instrument in the name of and on behalf of the Corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board of Directors or within the agency power of an agent, no agent shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

6.3 **Construction; Definitions.**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Delaware General Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

6.4 **Fiscal Year.**

The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors and may be changed by the Board of Directors.

6.5 **Seal.**

The Corporation may adopt a corporate seal, which may be altered at pleasure, and may use the same by causing it or a facsimile thereof, to be impressed or affixed or in any other manner reproduced.

6.6 **Facsimile Signature.**

In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these Bylaws, facsimile signatures of any director or agent of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

ARTICLE VII

CONFLICTS OF INTEREST

7.1 **General Policy.**

Members of the Board of Directors, officers and agents of the Corporation shall conduct their business, investment, and personal affairs in such manner as to avoid any conflict with their duties and responsibilities to the Corporation and shall act with the highest ethical standards in carrying out their duties with respect to the Corporation. These provisions regarding conflicts of interest (the "Policy") shall apply to any transaction or arrangement with an "interested person." An "interested person" is (i) a director or officer of the Corporation, or any member of a committee of the Corporation with Board-delegated powers, (ii) an agent of the Corporation earning \$50,000 or more annually, (iii) any other person in a position to exercise substantial influence over the Corporation's affairs, or (iv) a family member of an individual described in (i), (ii) or (iii). This Policy shall also apply to any transaction or arrangement with any entity in which an interested person has (i) an ownership or investment interest, (ii) an employment relationship or other compensation arrangement, or (iii) a potential ownership or investment interest or compensation arrangement. This Policy shall not apply to any transaction between the Corporation and the State of Delaware.

7.2 **Specific Procedures.**

It shall be the policy of the Corporation that:

(a) The Board of Directors shall require each interested person to disclose any financial interest in, or role in the governance of, any other corporation, firm, association, or other entity contracting or engaging in any other transaction with the Corporation.

(b) As soon as is practicable after determining that a potential conflict of interest exists, the Board of Directors shall first deliberate the matter after the potentially interested person supplies such information as the Board of Directors shall

request, recuses himself or herself, and leaves the meeting, and then the Board shall decide if a conflict of interest exists.

(c) In the case of all compensation arrangements and all other arrangements where the Board of Directors determines that there is a conflict, the Board of Directors shall:

(1) Require that the interested person leave the meeting during the discussion of, and the vote on, the transaction or arrangement that may create the conflict of interest; and

(2) Enter into the transaction only if the Board of Directors determines, by a majority vote of the non-interested directors then in office, that the transaction or arrangement is in the Corporation's best interests and for its own benefit; is fair and reasonable to the Corporation; and, after exercising due diligence, determines that the Corporation cannot obtain a more advantageous transaction or arrangement with reasonable efforts under the circumstances.

(d) The minutes of the Board of Directors meetings and the meetings of any committee with Board-delegated powers shall include:

(1) The name of each person who discloses an interest, the nature of that interest, and whether the Board has determined that there is a conflict of interest;

(2) Copies of all documents describing the other alternatives to the proposed transaction, comparable salaries, and any other due diligence appropriate to the transaction; and

(3) The names of the persons who were present for discussions and votes relating to the transaction or arrangement and the content of those discussions, including any alternatives to the proposed transaction or arrangement, and a record of the vote.

(e) The Board of Directors shall ensure that all interested persons are made aware of the Policy. Each director and officer of the Corporation shall sign an annual statement acknowledging receipt, understanding, and consent to comply with the Policy and disclosing any conflicts of interest pursuant to the Policy.

ARTICLE VIII

AMENDMENTS

The Bylaws of the Corporation may be adopted, amended or repealed, and new Bylaws may be adopted, by a majority of the directors present at any regular meeting or at any special meeting at which a quorum is present, provided the notice of the meeting states the intention to alter, amend, or repeal or to adopt new Bylaws at such meeting.

CERTIFICATE OF ADOPTION OF BYLAWS

OF

SUSTAINABLE ENERGY UTILITY, INC.

ADOPTION BY THE BOARD OF DIRECTORS

The undersigned person, appointed by the Board of Directors of Sustainable Energy Utility, Inc., a Delaware nonprofit corporation, hereby certifies adoption of the foregoing as the Bylaws of the Corporation by the Board of Directors.

Executed on [DATE].

[NAME], Chairperson

SCHEDULE A
INITIAL DIRECTORS

Ex Officio Directors

Mr. Colin O'Mara, Secretary, Delaware Department Of Natural Resources and Environmental Control

Judge Arthur J. Padmore, Delaware Public Advocate

Appointed by Governor of Delaware

Dr. John Byrne* – Term Expires 2012

Mr. Nnamdi Chukwuocha – Term Expires 2011

Ms. Sharron Cirillo – Term Expires 2012

Mr. Randall Day – Term Expires 2010

Mr. Roger Jones – Term Expires 2010

Mr. Joe Loper – Term Expires 2011

Dr. Charles Wagner – Term Expires 2012

Appointed by President Pro Tempore of the Senate of the Delaware General Assembly

Senator Harris B. McDowell, III* – Term Expires 2011

Appointed by Speaker of the House of Representatives of the Delaware General Assembly

Representative Pamela Thornburg – Term Expires 2010

*Elected as an Initial Chairperson