



# SECTOR GUIDELINES FOR MEMBERSHIP AND PARTICIPATION

## Munis/Coops/TDU Sector

### Business Model/Who We Are

The TDU Sector is comprised of TDU Companies which are members of MISO and have indicated their primary designation is that of a TDU Sector. Such TDU Companies will be considered Eligible Voting Members. TDU Companies consist of non-transmission owning load serving entities and include municipals, co-ops, public power joint action agencies that serve municipals and/or co-ops and investor-owned utilities. Entities that own a *de minimis* amount of transmission or that have passive ownership (not involved in day-to-day operations) of transmission facilities are also eligible Sector members. A current list the TDU Companies is located on the MISO website. These companies have voting rights in this Sector. Only employees from such companies may represent this Sector on the MISO Advisory Committee and Planning Advisory Committee.

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### Criteria for Membership

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### Additional Information

#### Sector Participation:

- **Leadership:**

##### Sector Chair

Only an employ of a TDU Company may be the Sector Chair. TDU Companies shall annually, in November of each year, select a Sector Chair from the Representatives of the TDU Companies. The Sector Chair (who does not have to be an Advisory Committee or Planning Advisory Committee Representative) shall serv a one year term, and there shall be no limit to the number of terms a Sector Chair may serve.

The Sector Chair shall be responsible for 1) setting the agenda for Sector meetings; 2) providing agenda items to the chair of any combined Sector meetings; 3) coordinating and facilitating Sector

meetings; 4) maintaining a list of TDU Company contacts; 5) when appropriate, developing and submitting communications on behalf of the Sector and 6) conducting votes on matters to be decided by the Sector (provided that the Advisory Committee Representative elections shall be coordinated as set forth below).

Should the Sector Chair be unable to fulfill these responsibilities the TDU Companies will select another Sector Chair by special election.

- **Meetings**

The Sector Chair shall be responsible for 1) setting the agenda for Sector meetings; 2) providing agenda items to the chair of any combined Sector meetings; 3) coordinating and facilitating Sector meetings; 4) maintaining a list of TDU Company contacts; 5) when appropriate, developing and submitting communications on behalf of the Sector and 6) conducting votes on matters to be decided by the Sector (provided that the Advisory Committee Representative elections shall be coordinated as set forth below).

Should the Sector Chair be unable to fulfill these responsibilities the TDU Companies will select another Sector Chair by special election.

- **Voting**

Sector Representatives may vote in this Sector, and each TDU Company shall only cast one vote. Decisions will pass on the basis of a simple majority unless specified otherwise in these Guidelines. When these guidelines call for a supermajority, the passing vote will require a vote of 70%, with a minimum of 7 votes cast by TDU Companies. However, if there are fewer than 7 TDU Companies remaining in the Sector, the vote will pass based only on a supermajority vote of 70% of the TDU Companies participating in that vote.

Advisory Committee Representatives and the Planning Advisory Committee Representative shall cast their votes on matters before the AC and PAC in accordance with the outcome of voting by Sector Representatives. Generally, the results of votes taken in this Sector shall be allocated to the available Advisory Committee votes on a pro rata basis; provided that, in no event, shall a single Advisory Committee vote be split into increments of less than  $\frac{1}{2}$  vote. Notwithstanding the foregoing, when an Advisory Committee or Planning Advisory Committee Representative from this Sector is running for a leadership position (chair or vice-chair), the Sector shall cast all of its votes for said Representative, unless a supermajority of the Sector votes to waive this requirement. In the event that more than one Advisory Committee Representative from this Sector wishes to run for the same leadership position, the Sector shall conduct a vote to determine the candidate.

Those TDU Companies comprising the minority position may (or may not) request to split this Sector's vote on a specific issue before the Advisory Committee. Notwithstanding the foregoing, no such split shall result in an Advisory Committee vote of less than  $\frac{1}{2}$  of a full vote. (i.e, if there are 3 Sector Advisory Committee votes and 12 TDU Companies, 2 Eligible Companies would have to agree on an issue to achieve a split of  $\frac{1}{2}$  of one of the 3 Advisory Committee votes). In order to minimize the impact of a minority position of a small number of TDU Companies, if the TDU Sector has 3 Advisory Committee votes (or 6 votes of  $\frac{1}{2}$  each) and the number of TDU Companies supporting a minority

position is less than 1/6 of the total number voting TDU Companies, the TDU Sector's Advisory Committee votes will not be split and all 3 votes will be cast for the majority position.

**Amendment:**

This Agreement may be amended by a 70% supermajority vote of the Eligible Voting Members on a written motion which is noticed to all Eligible Voting Members of the TDU Sector.

**Advisory Committee Representation:**

Only employees from a TDU Company may represent the TDU Sector on the MISO Advisory Committee. Commencing with the November 2014 Advisory Committee Representative elections, the term of Advisory Committee representation shall be two years, unless this restriction is modified or if a term is extended or reduced as provided herein. The same TDU Company may hold a position on the MISO Advisory Committee for no more than two consecutive full terms. The only exceptions to the consecutive term limitation provisions are as follows:

- There are no other TDU Companies in the Sector that are able to provide an Advisory Committee Representative.
- No other TDU Company wishes to have an Advisory Committee Representative.
- The Advisory Committee Representative of another TDU Company cannot fulfill his/her commitment to serve on the MISO Advisory Committee. In this case, a special election (described below) will be held to fill this vacancy for the remainder of the unfulfilled term.
- The elected alternate Advisory Committee Representatives are unavailable to substitute for another elected Advisory Committee Representative for a single Advisory Committee meeting.
- A 70% supermajority vote of the Eligible Voting Members on a written motion to override the provisions for consecutive term limitations which is noticed to all Eligible Voting Members of the TDU Sector.

Advisory Committee Representatives and Sector Representatives shall make a good faith effort to attend Sector meetings to discuss upcoming MISO Advisory Committee agenda items. Advisory Committee Representatives shall vote as directed by this Sector and the requirements herein. In the event that significant impromptu issues, motions, or decisions are put before the Advisory Committee, elected Advisory Committee Representatives are encouraged to solicit the Advisory Committee Chairman for an opportunity to consult with their Sector prior to a vote of the Advisory Committee.

The TDU Sector collectively believes that filling all three seats (votes) is important for Advisory Committee meetings. Hence, if an Advisory Committee Representative cannot make a meeting, the Advisory Committee Representative that cannot attend a meeting shall notify the Sector and advise the MISO Advisory Committee Chair, Liaison and Stakeholder Relations that a Sector alternate will be filling this seat. If Sector alternates are not available for any reason, every effort must be made to find and communicate to the MISO Advisory Committee Chair, Liaison and Stakeholder Relations the proxy name of another stakeholder in this Sector, who can fill this proxy role for this meeting. In the event the Advisory Committee Representative is unable to make the proper notification of an alternate or proxy, the Sector Chair shall provide the notification.

The ballots for and the election results for the TDU Sector Advisory Committee Representatives will be designated and filled consistent with the Transmission Owners Agreement's designation of seats for specific geographic areas.

**Designation of Majority, Minority & Company Specific Hot Topic Papers:**

A simple majority of TDU Companies will determine the majority position Hot Topic Paper. If more than one company supports a paper dissenting from the majority that paper will be designated as the minority position. If only one company supports a paper dissenting from the majority the sole company supporting that paper will submit the paper to the Advisory Committee and MISO Board of Directors as a standalone company specific paper.

At least 20% of the time available for Hot Topic oral presentations will be allocated to a minority position paper, allowing those endorsing the minority position to explain their differences with the majority position (e.g., for a 10 minute time allotment, approximately 2 minutes will be allocated for discussion of the minority position). In the event there is more than one minority position paper, the appropriate time allocation for each paper will be decided at the Sector meeting held prior to the presentation date.

**Planning Advisory Committee Representation:**

Only employees from a TDU Company may represent this Sector on the Planning Advisory Committee (hereinafter PAC). Commencing with the November 2014, the term of the PAC Representative shall be two years, unless this restriction is modified or if a term is extended or reduced as provided herein. The same TDU Company may hold a position on the PAC for no more than two consecutive full terms. The only exceptions to the consecutive term limitation provisions are as follows:

- There are no other TDU Companies in the Sector that are able to provide a PAC Representative.
- No other TDU Company wishes to provide a PAC Representative.
- The PAC Representative of another TDU Company cannot fulfill his/her commitment to serve on the PAC. In this case, a special election (described below) will be held to fill this vacancy for the remainder of the unfulfilled term.
- The elected alternate PAC Representatives are unavailable to substitute for the PAC Representative for a single PAC meeting.
- A 70% supermajority vote of the Eligible Voting Members on a written motion to override the provisions for consecutive term limitations which is noticed to all Eligible Voting Members of the TDU Sector.

The PAC Representative should make a good faith effort to attend Sector meetings to discuss upcoming MISO PAC agenda items. The PAC Representative shall vote as directed by this Sector. In the event that significant impromptu issues, motions, or decisions are put before the PAC, the PAC Representative is encouraged to solicit the PAC Chairman for an opportunity to consult with their Sector prior to a vote of the PAC.