

EnergyConnect Group, Inc.
Corporate Governance Guidelines

1) Board Membership Criteria

The Nominating and Governance Committee for EnergyConnect Group, Inc. (“ECNG” or “Corporation”) is responsible for reviewing with the Board, on an annual basis, the appropriate skills and characteristics required of Board members in the context of the current make-up of the Board. Final approval of a candidate is determined by the full Board. In assessing potential new Directors, the Committee considers individuals from various disciplines and diverse backgrounds. The selection of qualified Directors is complex and crucial to ECNG’s long-term success. Potential Board candidates are evaluated based upon various criteria, such as (1) their broad-based business, governmental, non-profit, or professional skills and experiences that indicate whether the candidate will be able to make a significant and immediate contribution to the Board’s discussion and decision-making in the array of complex issues facing the Corporation; (2) exhibited behavior that indicates he or she is committed to the highest ethical standards and the values of the Corporation; (3) special skills, expertise, and background that add to and complement the range of skills, expertise, and background of the existing Directors; (4) whether the candidate will effectively, consistently, and appropriately take into account and balance the legitimate interests and concerns of all our shareholders and other stakeholders in reaching decisions; and (5) a global business and social perspective, personal integrity, and sound judgment. In addition, Directors must have time available to devote to Board activities and to enhance their knowledge of ECNG and its subsidiary EnergyConnect, Inc. To assist in the identification and evaluation of qualified Director candidates, the Corporation on occasion has engaged a search firm. The Nominating and Governance Committee will annually review the membership criteria and modify them as appropriate.

2) Selection of New Directors

The Board itself should be responsible, in fact as well as procedure, for selecting its own members and in recommending them for election by the shareholders. The Board delegates the screening process involved to the Nominating and Governance Committee with direct input from the Chief Executive Officer. The Nominating and Governance Committee will consider Director nominees recommended by shareholders. The Committee uses the same criteria for screening candidates proposed by shareholders, members of the Board, and members of senior management. Between annual shareholder meetings, the Board may elect Directors to serve until the next annual meeting.

3) Extending the Invitation to a Potential Director to Join the Board

The invitation to join the Board should be extended by the Board itself via the Chief Executive Officer of the Corporation, together with Chairman of the Board, when appropriate.

4) Director Orientation and Continuing Education

The Board and management will conduct a comprehensive orientation process for new Directors to become familiar with the Corporation’s vision, strategic direction, core values including ethics, financial matters, corporate governance practices and other key policies and practices through a review of background material, meetings with senior management and visits to the Corporation’s facilities. The Board also recognizes the importance of continuing education for its Directors and is committed to provide such education in order to improve both Board and Committee performance. The Board acknowledges that director continuing education may be provided in a variety of different forms including: external or internal education programs, presentations or briefings on particular topics, educational materials, meetings with key management and visits to the Corporation’s facilities. The Secretary of the Corporation and the Nominating and Governance Committee will develop an orientation and continuing education program for new Directors. It is the responsibility of the Nominating and Governance Committee to advise the Directors about their continuing education on subjects that would assist them in discharging their duties, including leading-edge corporate governance issues. Directors are encouraged to attend, at ECNG’s expense, continuing education programs sponsored by educational and other institutions.

5) Selection of Chief Executive Officer

It is the Board's policy that it should be free to choose the Corporation's Chief Executive Officer in any way that seems best for the Corporation at any given point in time.

6) Chairman of the Board

The Chairman of the Board will be an Independent Director and will act as the presiding director for the executive sessions of the Independent Directors and in communicating the Board's annual evaluation of the Chief Executive Officer.

7) Size of the Board

The Bylaws provide that the number of Directors may be changed by the Board. The size of the Board, as stated in the Bylaws or established by a Board resolution, is reassessed at least annually by the Nominating and Governance Committee to determine if a different number would be more effective. Under Section II.2 of ECNG's Bylaws, the number of Directors will not be fewer than three (3) or more than eleven (11). If any of the Board's nominees is unable to serve as a Director, or if any Director leaves the Board between annual meetings of shareholders, the Board may reduce the number of Directors by resolution or elect a replacement Director upon the recommendation of the Committee.

8) Mix of Management and Independent Directors

The Board believes that as a matter of policy, there should be a majority of Independent Directors on the ECNG Board (as defined below), though the Board acknowledges that at times Independent Directors may not be readily available to provide that majority. Senior executives other than the Chief Executive Officer currently attend Board meetings on a regular basis even though they are not members of the Board.

On matters of corporate governance, the Board assumes decisions will be made by the Independent Directors.

9) Definition of Independent and Non-Management Directors

The Board is committed to finding appropriate Independent Directors so that the Board is comprised of a majority of directors who qualify as Independent as defined by the exchange where the Corporation's shares are publicly traded or applicable law or as reasonably decided by the Board if no definition is available. The Nominating and Governance Committee will review annually its compliance with these rules and regulations. In no event will a former executive employee be considered independent prior to the one year anniversary of the executive's resignation or receipt of compensation from the Company, whichever is later.

A Non-Management Director is a director who is not currently employed by the Corporation and does not qualify as an Independent Director.

Each Independent Director shall notify the Chair of the Nominating and Governance Committee, as soon as practicable, of any event, situation or condition that may affect the Board's evaluation of his or her independence.

10) Limits on Outside Board Memberships

Both Independent and Non-Management Directors are encouraged to limit the number of other boards of U.S. public companies (excluding non-profits, private corporations and subsidiaries) on which they serve as independent directors, to no more than six (6), taking into account potential board attendance, participation and effectiveness on these boards. The number of audit committees on which the Corporation's Audit Committee members may sit concurrently shall be reviewed annually by the Nominating and Governance Committee and the Board. Both Independent and Non-Management Directors should advise the Chairman of the Board and the Chair of the Nominating and Governance Committee in advance of accepting an invitation to serve on another board.

11) Meeting Attendance

Directors are expected to attend meetings of the Board, Committees on which they serve, the Annual Meeting of Shareholders and any special meetings.

12) Board Compensation

Only Independent and Nonmanagement Directors receive payment for serving on the Board. It is appropriate for the staff of the Corporation to report once a year to the Nominating and Governance Committee the status of ECNG Board compensation in relation to compensation paid to directors at comparable corporations. Members of the Audit Committee may not directly or indirectly receive any compensation from the Corporation other than their compensation for service as Directors. Directors are reimbursed for travel expenses incurred in connection with their duties as Directors.

Changes in Board compensation, if any, should come at the suggestion of the Nominating and Governance Committee, but with full discussion and concurrence by the Board.

13) Loans to Directors and Executive Officers

It is the policy of the Corporation not to make any personal loans to its Directors and executive officers.

14) Executive Sessions of Independent Directors of the Board

The Independent Directors of the Board will meet in executive session at least three (3) times each year. In general, time is reserved before and following each regularly scheduled Board meeting should the independent/non-management Directors wish to meet in executive session. The Chairman of the Board shall preside over these sessions. The Chairman of the Board may invite Non-Management Directors, executives and advisors to attend or present at these executive sessions

During the course of these sessions, the Independent Directors review Chief Executive Officer performance, compensation and succession planning; future Board agendas and the flow of information to Directors; the Board's corporate governance matters; and any other issues raised by the independent/non-management Directors.

15) Role of the Chairman of the Board

The Chairman of the Board of Directors is elected annually by the Board of Directors as the presiding director. In addition to serving as the Chairman of the Board, he or she will preside over the executive sessions of the Independent Directors. The Chairman of the Board is also responsible for advising the Chief Executive Officer of decisions reached, and suggestions made, at executive sessions. The Chairman of the Board also reviews and approves matters such as the agendas for Board meetings and executive sessions, the information sent to the Board, and meeting schedules (both as to when they occur and the sufficiency of time allocated to agenda items). Additional functions include: calling meetings of the Independent Directors; serving as liaison between the Chief Executive Officer and the Independent and Non-Management Directors (although all Independent and Non-Management Directors are encouraged to freely communicate with the Chief Executive Officer at any time); assisting the Chief Executive Officer in the recruitment and orientation of new Directors; and assuming such additional responsibilities as determined by the Independent Non-Management Directors.

16) Access to Outside Advisors

The Board, as well as each Committee, at its request, can retain the services of one or more independent outside advisors (financial, legal, compensation, etc.) as it considers appropriate, at the Corporation's expense.

17) Assessing the Board's Performance

The Board must perform a self-evaluation on an annual basis. The Nominating and Governance Committee is responsible to report annually to the Board an assessment of the Board's performance. The Committee usually reviews the evaluation process prior to the January Board meeting when the full Board conducts its evaluation during the executive session. The assessment will include a review of the Board's overall effectiveness and the areas in which the Board or management believes the Board can make an impact on the Corporation. The purpose of the evaluation is to increase the effectiveness of the Board, not to focus on the performance of individual Board members. The Nominating and Governance Committee will also utilize the results of this evaluation process in determining the characteristics and assessing critical skills required of prospective candidates for election to the Board and making recommendations to the Board with respect to assignments of Board members to various committees.

18) Ethics and Conflicts of Interest

The Board expects all Directors, as well as officers and employees, to act ethically at all times and to adhere to ECNG's ethics policy. The Board will not permit any waiver of any ethics policy for any Director or executive officer. If an actual or potential conflict of interest arises for a Director, the Director shall promptly inform the Chairman of the Board. If a significant conflict exists and cannot be resolved, the Director should resign. All Directors will recuse themselves from any discussion or decision affecting their business or personal interests.

Each Director is also bound by the terms and conditions of the Code of Business Conduct for Members of the Board of Directors of EnergyConnect Group, Inc.

19) Confidentiality

Directors, like all employees, should maintain the confidentiality of information entrusted to them by the Corporation or any other confidential information about the Corporation that they receive from any source in their capacity as a Director, except when disclosure is authorized by the Board of Directors or legally required. Directors are expected to take steps to minimize the risk of disclosure of confidential communications coming to them from the Corporation and of confidential discussions involving Directors. All discussions occurring at Board or Board Committee meetings are presumed to be confidential to the extent disclosure of them is not legally required. Directors may not use confidential information for their own personal benefit or for the benefit of persons or entities outside the Corporation or in violation of any law or regulation including insider trading laws and regulations. These responsibilities with regard to confidential information apply to Directors during and after their service on the Board. For purposes of this guideline, "confidential information" is all non-public information relating to the Corporation, including information that could be useful to competitors, could be considered material non-public information under Regulation FD of the Securities and Exchange Act of 1934 or otherwise harmful to the Corporation's interests or objectives if disclosed.

20) Regular Attendance of Non-Directors at Board Meetings

The Board welcomes the regular attendance at each Board meeting of non-Board members who are in the most senior management positions of the Corporation. Should the Chairman of the Board and Chief Executive Officer want to add additional people as attendees on a regular basis, it is expected that this suggestion would be made to the Board for its concurrence.

21) Board Access to Senior Management

Board members have complete access to ECNG's Management.

It is assumed that Board members will use judgment to be sure that this contact is not distracting to the business operation of the Corporation and that such contact, if in writing, be copied to the Chairman of the Board and Chief Executive Officer, as appropriate.

Furthermore, the Board encourages management to, from time to time, bring managers into Board meetings who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, and/or (b) are managers with future potential that the senior management believes should be given exposure to the Board.

22) Selection of Agenda Items for Board Meetings

The Chief Executive Officer will establish the agenda for each Board meeting and a draft of such agenda will be sent to the Chairman of the Board. He or she will issue a schedule of agenda subjects to be discussed for the ensuing year at the beginning of each year (to the degree these can be foreseen) which will be discussed at each executive session, as appropriate. Each Board member may suggest the inclusion of additional item(s) on the agenda.

23) Board Materials Distributed in Advance

Information important to the Board's understanding of the business will be distributed in writing to the Board before the Board meetings. Management will try to provide material that efficiently furnishes the desired information.

24) Board Presentations

As a general rule, presentations on specific subjects should be sent to the Board members sufficiently in advance to allow the Directors to review such material and to save time at Board meetings and focus discussion on the Board's questions. On those occasions in which the subject matter is extremely sensitive, the information may be presented for the first time at the meeting.

25) Board Committees

Membership on the Audit, Nominating and Governance, and Compensation Committees will be composed of members pursuant to the terms of the Committee Charters. From time to time, the Board may want to form a new Committee or disband a current Committee depending upon the circumstances, regulations or Bylaws. In general, time is reserved following each regularly scheduled Committee meeting should the independent/non-management Directors wish to meet in executive session.

The Board of Directors will assure that each Committee has a charter setting forth the purpose, authority and duties of each Committee. On an annual basis, each Committee will review its charter and will present any modifications to the Board for approval. All Committee charters are available on the Corporation's Web site, <http://www.energyconnectinc.com/investors/>.

26) Committee Performance Evaluation

Each Board Committee will perform an annual evaluation of its performance, including a review of its compliance with the Committee charter. The purpose of such review is to increase the effectiveness of the Committee, not to focus on the performance of individual Committee members. The three key Committees (Audit, Compensation and Nominating and Governance) will conduct periodic executive sessions of the independent/non-management Directors without management.

27) Assignment and Rotation of Committee Members

The Nominating and Governance Committee is responsible, after consultation with the Chairman of the Board and Chief Executive Officer, and with consideration of the desires of individual Board members, for the assignment of Board members to various Committees. Generally, the Board at its first meeting following the Annual Meeting of Shareholders shall elect the members of each Committee.

28) Frequency and Length of Committee Meetings

The Committee Chair, in consultation with Committee members, will determine the frequency and length of the meetings of each Committee.

29) Committee Agenda

The Chair of each Committee, in consultation with the appropriate members of the Committee and management, will develop the Committee's agenda.

Each Committee will issue a schedule of agenda subjects to be discussed for the ensuing year at the beginning of each year (to the degree these can be foreseen). This forward agenda will also be shared with the Board.

30) Formal Evaluation of the Chief Executive Officer

The Independent Directors should make this evaluation at least annually, and it should be communicated to the Chief Executive Officer by the Chairman of the Board. The evaluation should be based on objective criteria developed by the Independent Directors. Such criteria shall include performance of the business, accomplishment of long-term strategic objectives, development of management, etc. The evaluation will be used by the Compensation Committee in the course of its deliberations when considering the compensation of the Chief Executive Officer.

31) Succession Planning

Selecting a Chief Executive Officer and planning for succession is a major responsibility of the Board. An annual report will be made by the Chief Executive Officer to the Board on succession planning.

There should also be available, on a continuing basis, the Chairman of the Board's and Chief Executive Officer's recommendation as to a successor in the event of an unexpected disability. This report should be given to the Board at the same time as the succession planning report noted previously.

These guidelines are also available on our Web site, <http://www.energyconnectinc.com/investors/>. These guidelines are intended to serve as a flexible framework within which the board may conduct its business and not as a set of legally binding obligations.

Approved by the Board of Directors on May 1, 2009.