

GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP
WRITTEN PROCEDURES IMPLEMENTING
THE STANDARDS OF CONDUCT FOR TRANSMISSION PROVIDERS
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1. INTRODUCTION

Great Lakes Gas Transmission Limited Partnership (“Great Lakes”) is an interstate natural gas pipeline company that conducts transmission transactions with an Affiliate that engages in Marketing Functions. As a Transmission Provider, Great Lakes is required to comply with the regulations of the Federal Energy Regulatory Commission (“FERC”) set out in the [Standards of Conduct for Transmission Providers](#), Order No. 717 (73 FR 63796 (October 27, 2008)) (“Standards of Conduct”). The Standards of Conduct are codified at 18 C.F.R. Part 358 (2008).

These written procedures (“Written Procedures”) implement the Standards of Conduct and reflect Great Lakes commitment to complying fully with the letter and spirit of the Standards of Conduct. Pursuant to § 358.7(d) these Written Procedures will be posted on the Great Lakes public Internet website at www.gtgt.com.

2. DEFINITIONS

Any capitalized terms used herein but not defined will have the meanings attributed to them in the Standards of Conduct. Great Lakes does not employ Marketing Function Employees, but use of this term will be understood to refer to the Marketing Function Employees of Great Lakes’ Affiliates.

3. GENERAL PRINCIPLES

The Standards of Conduct set out four “general principles” in addition to a series of specific requirements affecting how Transmission Providers interact with their Affiliates who engage in Marketing Functions. The general principles are:

- (a) **No Undue Discrimination or Preference:** A Transmission Provider must treat all Transmission Customers, affiliated and non-affiliated, on a not unduly discriminatory basis, and must not make or grant any undue preference or advantage to any person or subject any person to undue prejudice or disadvantage with respect to any transportation of natural gas or transmission of electric energy in interstate commerce, or with respect to the wholesale sale of natural gas or electric energy in interstate commerce (§ 358.2(a)).

- (b) **Independent Functioning:** A Transmission Provider's Transmission Function Employees must function independently from its Marketing Function Employees, except as permitted by the Standards of Conduct or as otherwise permitted by FERC order (§ 358.2(b)).
- (c) **No Conduit Rule:** A Transmission Provider and its employees, contractors, consultants and agents are prohibited from disclosing, or using a conduit to disclose, non-public Transmission Function Information to the Transmission Provider's Marketing Function Employees (§ 358.2(c)).
- (d) **Transparency Rule:** Transmission Providers will comply with the Standards of Conduct in a transparent manner through various posting requirements stipulated by the Standards of Conduct, and will provide equal access to non-public Transmission Function Information to all of its affiliated and non-affiliated Transmission Customers, except in the case of confidential customer information or Critical Energy Infrastructure Information (§ 358.2(d)).

4. MEASURES TO COMPLY WITH NON-DISCRIMINATION REQUIREMENTS

The Standards of Conduct require Great Lakes to ensure that it refrains from unduly discriminating in favor of, or against, any Transmission Customer, whether affiliated or not affiliated. Great Lakes is therefore implementing the following rules and procedures to comply with the non-discrimination requirements of the Standards of Conduct.

- Great Lakes will provide annual training on the Standards of Conduct. This training program will address in detail the non-discrimination requirements set out in the Standards of Conduct, and will stress the importance of compliance with the Standards of Conduct and the need to report any issues, questions or concerns about compliance with these requirements to Great Lakes' management, to TransCanada's Ethics Hotline, or to Great Lakes' Chief Compliance Officer.

A. Strict Enforcement of Tariff Provisions (§ 358.4(a)):

- Great Lakes will strictly enforce all tariff provisions relating to the sale or purchase of open access transmission service, if the tariff provisions do not permit the use of discretion.

B. Fair, Impartial, Non-Discriminatory Exercise of Tariff Discretion (§358.4(b) and 358(7)(i)):

- Great Lakes will apply all tariff provisions relating to the sale or purchase of open access transmission service in a fair and impartial manner that treats all Transmission

Customers in a not unduly discriminatory manner, if the tariff provisions permit the use of discretion.

C. No Undue Preference in Sale of Transmission Services (§§ 358.4(c) and (d)):

- Great Lakes will not, through its tariff or otherwise, give undue preference to any person in matters relating to the sale or purchase of transmission service (including, but not limited to, issues of price, curtailments, scheduling, priority, ancillary services, or balancing).
- Great Lakes will process all similar requests for transmission in the same manner and within the same period of time.

5. MEASURES TO COMPLY WITH INDEPENDENT FUNCTIONING REQUIREMENTS

The Standards of Conduct require Great Lakes to ensure that its Transmission Function Employees function independently from the Marketing Function Employees of any Affiliates, except in emergency circumstances or as permitted by order of FERC.

- Great Lakes will provide annual training on the Standards of Conduct. This training program will address in detail the independent functioning requirements set out in the Standards of Conduct, and will stress the importance of compliance with the Standards of Conduct and the need to report any issues, questions or concerns about compliance with these requirements to Great Lakes' management, to TransCanada's Ethics Hotline, or to Great Lakes' Chief Compliance Officer.
- Great Lakes Transmission Function Employees are prohibited from engaging in Marketing Functions (§ 358.5(b)(2)).
 - Marketing Function Employees are prohibited from engaging in or conducting any Transmission Functions, except in emergency circumstances and in accordance with the provisions of the Standards of Conduct (§ 358.5(b)(1)(i)).
 - Marketing Function Employees are prohibited from having any access to system control centers or similar facilities used for transmission operations that differs in any way from the access available to other Transmission Customers. Access to these areas is controlled by card key security, and signs prohibiting entry by Marketing Function Employees have been posted at the entrances to these restricted areas in all facilities shared by Transmission Function Employees and Marketing Function Employees (§ 358.5(b)(1)(ii))
 - All Great Lakes Transmission Function Employees and Marketing Function Employees have been identified and classified appropriately in the Human Resources Employee System of Record (SAP). These classifications are used in a

number of automated and manual processes to manage access to restricted areas, applications and information. Specifically, all personnel classified as Marketing Function Employees are prohibited from receiving card key access to physical areas of the company used for transmission operations and are prohibited from receiving access to information systems containing Transmission Function Information (§§ 358.5(a) and 358.6(b)).

6. MEASURES TO COMPLY WITH THE NO-CONDUIT RULE

The Standards of Conduct prohibit Great Lakes from using any person as a conduit to pass non-public Transmission Function Information to Marketing Function Employees. Great Lakes is required to maintain and enforce procedures for ensuring that no Great Lakes personnel act as, or utilize a third party to act as, a conduit for the conveyance of non-public Transmission Function Information, and for preventing access by its Marketing Function Employees to non-public Transmission Function Information.

- Great Lakes will provide annual training on the Standards of Conduct. This training program will address in detail the no-conduit rule set out in the Standards of Conduct, and will stress the importance of compliance with the Standards of Conduct and the need to report any issues, questions or concerns about compliance with these requirements to Great Lakes' management, to TransCanada's Ethics Hotline, or to Great Lakes' Chief Compliance Officer.
- Great Lakes will not use anyone as a conduit for the disclosure of non-public Transmission Function Information to any Marketing Function Employee. (§358.6(a)).
- All Great Lakes employees, contractors, consultants or agents, and all employees, contractors, consultants or agents of any Great Lakes Affiliate, are prohibited from disclosing non-public Transmission Function Information to any Marketing Function Employee. (§ 358.6(b)).
- Great Lakes has implemented electronic access controls on all information systems containing non-public Transmission Function Information, which utilize passwords, firewalls or other security measures to restrict access. Marketing Function Employees are prohibited from accessing these systems. Access lists are reviewed and validated on a regular basis. (§§ 358.5(a) and 358.6(b)).

7. MEASURES TO COMPLY WITH THE TRANSPARENCY RULE

For all posting requirements set out by the Standards of Conduct, Great Lakes will use its public Internet website at www.glt.com.

- Great Lakes will provide annual training on the Standards of Conduct. This training program will address the disclosure, posting, and recordkeeping requirements set out in the Standards of Conduct, and will stress the importance of compliance with the Standards of Conduct and the need to report any issues, questions or concerns about compliance with these requirements to Great Lakes' management, to TransCanada's Ethics Hotline, or to Great Lakes' Chief Compliance Officer.

A. Contemporaneous Disclosure

- In the event that Great Lakes non-public Transmission Function Information (other than non-public Transmission Customer information, information that is considered Critical Energy Infrastructure Information ("CEII"), or other information that is prohibited by FERC from public disclosure) is disclosed to any Marketing Function Employee in violation of the Standards of Conduct or these Written Procedures, Great Lakes will take steps to immediately post the same information on its Internet website. (§ 358.7(a)(1)).
- In the event that any non-public Great Lakes Transmission Customer information, CEII, or information otherwise prohibited by FERC from public disclosure, is disclosed to any Marketing Function Employee in violation of the Standards of Conduct or these Written Procedures, Great Lakes will immediately post a notice on its Internet website of the fact of the disclosure, without posting the actual information. (§ 358.7(a)(2)).

B. Exclusion for Specific Transaction Information

- Great Lakes Transmission Function Employees may discuss with Marketing Function Employees specific requests for transmission service submitted by the Marketing Function Employee. Great Lakes is not required to contemporaneously disclose any information relating solely to a Marketing Function Employee's specific request for transmission service. (§ 358.7(b)).

C. Voluntary Consent Provision

- A Transmission Customer may voluntarily consent, in writing, to allow Great Lakes to disclose the Transmission Customer's non-public information to Great Lakes Affiliate's Marketing Function Employees. If the Transmission Customer authorizes Great Lakes to disclose its information to such Marketing Function Employees, Great Lakes will post notice on its Internet website of that consent along with a statement that it did not provide any preferences, either operational or rate-related, in exchange for that voluntary consent. (§ 358.7(c)).

D. Posting Written Procedures on the Public Internet

- Great Lakes will post on its Internet website current Written Procedures which implement the Standards of Conduct. (§ 358.7(d)).

E. Identification of Affiliate Information on the Public Internet

- Great Lakes will post on its Internet website the names and addresses of all its Affiliates that employ or retain Marketing Function Employees. (§ 358.7(e)(1)).
- Great Lakes will post on its Internet website a complete list of the employee-staffed facilities shared by any of its Transmission Function Employees and Marketing Function Employees. This list will include the types of facilities shared and the addresses of the facilities. (§ 358.7(e)(2)).
- Great Lakes will post information concerning potential merger partners as Affiliates that may employ or retain Marketing Function Employees, within seven days after the potential merger is announced. (§ 358.7(e)(3)).

F. Identification of Employee Information on the Public Internet

- Great Lakes will post on its Internet website the job titles and job descriptions of its Transmission Function Employees. (§ 358.7(f)(1)).
- Great Lakes will post a notice on its Internet website of any transfer of a Transmission Function Employee to a position as a Marketing Function Employee, or any transfer of a Marketing Function Employee to a position as a Transmission Function Employee. The information posted under this section will remain on its Internet website for 90 days. No such job transfer will be used as a means to circumvent any provision of the Standards of Conduct. (§ 358.7(f)(2)). The information to be posted will include:
 - The name of the transferring employee,
 - The respective titles held while performing each function (i.e. as a Transmission Function Employee and as a Marketing Function Employee), and
 - The effective date of the transfer.

G. Timing and General Requirements of Postings on the Public Internet

- Great Lakes will update on its Internet website the information required by the Standards of Conduct within seven business days of any change, and post the date on which the information was updated. (§ 358.7(g)(1)).
- In the event an emergency, such as an earthquake, flood, fire or hurricane that severely disrupts Great Lakes' normal business operations, the posting requirements in this part may be suspended by Great Lakes. If the disruption lasts longer than one month, Great Lakes will notify the Commission and may seek a further exemption from the posting requirements. (§ 358.7(g)(2)).

- All Internet website postings required by the Standards of Conduct will be sufficiently prominent as to be readily accessible. (§ 358.7(g)(3)).

H. Exclusion for and Recordation of Certain Information Exchanges

- Great Lakes Transmission Function Employees and any of its Affiliates' Marketing Function Employees may exchange non-public Transmission Function Information necessary to maintain or restore operation of the transmission system. (§§ 358.7(h)(1) and (2)(ii)).
- In the event that Transmission Function Employees and Marketing Function Employees exchange any non-public information, a contemporaneous record of all such exchanges will be created. These records may consist of hand-written or typed notes, electronic records such as e-mails and text messages, recorded telephone exchanges, etc., and will be retained for a period of at least 5 years. (§ 358.7(h)(1)).
 - In the case of emergency circumstances, a record of the exchange will be made as soon as practicable after the fact. Great Lakes will make any such records available to FERC upon request. (§ 358.7(h)(1)).

I. Posting of Waivers

- Great Lakes will post on its Internet website notice of each waiver of a tariff provision that it grants in favor of an Affiliate, whether or not it engages in Marketing Functions, unless such waiver has been approved by FERC. The posting will be made within one business day of the act of a waiver. (§ 358.7(i)).
- Great Lakes will maintain a log of any acts of waiver of a tariff provision in favor of an Affiliate, and will make this log available to FERC upon request. This log will be kept for a period of five years from the date of each act of waiver. (§ 358.7(i)).

8. MEASURES TO COMPLY WITH IMPLEMENTATION REQUIREMENTS

A. Effective Date

- Great Lakes will be in full compliance with the Standards of Conduct on the date it commences transmission transactions with an Affiliate that engages in marketing functions. (§ 358.8(a)).

B. Compliance Measures and Written Procedures

- Great Lakes will distribute these Written Procedures to all of its Transmission Function Employees and to its officers, directors, supervisory employees, and any other employees that are likely to become privy to Great Lakes' non-public Transmission Function Information. Great Lakes' Chief Compliance Officer will coordinate with Affiliates that employ or retain Marketing Function Employees to ensure compliance with the dissemination of the written procedures requirements. Specifically, a link to Great Lakes Written Procedures will be distributed by e-mail and/or as part of Great Lakes annual training materials, by means of an electronic link to Great Lakes public Internet website containing these Written Procedures. (§§ 358.8(b)(1) and (2)).

C. Training and Compliance Personnel

Great Lakes will provide annual training on the Standards of Conduct to all of its Transmission Function Employees and to its officers, directors, supervisory employees, and any other employees likely to become privy to Transmission Function Information. Great Lakes' Chief Compliance Officer will coordinate with Affiliates that employ or retain Marketing Function Employees to ensure compliance with the training certification requirements (§§ 358.8(b)(2) and (c)(1)).

- This training will be delivered electronically and will include content on the Standards of Conduct's non-discrimination, independent functioning, no-conduit, and transparency requirements, and will include example scenarios and test questions.
- The training materials will include an electronic link to these Written Procedures.
- All trainees will be required to provide an electronic or written acknowledgement confirming that they have completed the training program and that they agree to abide by the requirements of the Standards of Conduct and the provisions of the Written Procedures that may be applicable to their scope of work. (§ 358.8(c)(1)).
- All new Great Lakes personnel will be required to take Standards of Conduct training within thirty (30) days of their commencement, and will certify their completion of such training either electronically or in writing. (§ 358.8(c)(1)).
- Great Lakes will designate a Chief Compliance Officer who is responsible for compliance with the Standards of Conduct. Great Lakes will post the name of the Chief Compliance Officer and provide his or her contact information on its Internet website. (§ 358.8(c)(2)).
- Great Lakes will maintain a compliance hotline (TransCanada Ethics Help-Line, 1.888.920.2042 or online at <http://www.transcanada.com/ethics>) through which

any internal or external party may raise inquiries or complaints on an anonymous basis related to compliance with the Standards of Conduct and Written Procedures. The Chief Compliance Officer will ensure that any inquiries and complaints are investigated and rectified, as may be appropriate. (§§ 358.8(b)(1) and (c)(2)).

D. Books and Records

- Great Lakes will maintain its books of account and records (as prescribed under parts 201 and 225 of the Commission's regulations, 18 C.F.R.) separately from those of its Affiliates that employ or retain Marketing Function Employees, and make these available to FERC on request for inspection. (§ 358.8(d)).