

# Open Access Standards of Conduct



Georgia**Transmission**



Georgia**SystemOperations**

# GTC/GSOC Standards of Conduct

## Objectives

Georgia Transmission Corporation (“GTC”) will offer transmission services to all transmission customers, affiliated and non-affiliated, on a non-discriminatory basis, and shall not operate its transmission system to preferentially benefit an Energy Affiliate.<sup>1</sup>

GTC and Georgia System Operations Corporation (“GSOC”) Transmission Employees engaged in transmission system operations shall function independently from any Transmission Employees of GTC’s or GSOC’s Energy Affiliates.

Associates, contractors and consultants of GTC and GSOC, must adhere to these Standards of Conduct (“GTC’s SOC”) as if they were GTC and GSOC employees and shall not use their access to non-public transmission and market information to benefit Energy Affiliates over other customers. More specifically, they are prohibited from sharing transmission information<sup>2</sup> that is not available on OASIS with any Energy Affiliate(s) to the exclusion of other customers.

## Background

This Policy is based largely on Part 358 of the Federal Energy Regulatory Commission’s (“FERC’s”) regulations. FERC’s regulations ensure that jurisdictional Transmission Providers (“TPs”) cannot extend their market power over transmission to other energy markets by giving their Energy Affiliates undue preferential treatment. FERC regulations also help ensure TPs offer service to all customers on a non-discriminatory basis.<sup>3</sup>

In 1997, FERC issued Order No. 888 making electric transmission lines available to all transmission customers on an open-access basis. In a companion order, Order No. 889, FERC established electric Standards of Conduct applicable to public utilities’ administration of non-discriminatory access to electric transmission services. These rules became known as the Order No. 889 Standards of Conduct (“Order No. 889 SOC”).

In 2003 and 2004, FERC adopted Order Nos. 2004, 2004-A, 2004-B, 2004-C and 2004-D establishing new uniform Standards of Conduct applicable to public utilities

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<sup>1</sup> See definition of “Energy Affiliate” on p.3 below. For purposes of this Policy, OPC and all Scheduling Member Groups and Agents are considered Energy Affiliates.

<sup>2</sup> Restricted transmission information includes, but is not limited to, any financial (pricing or cost data) information, transaction (contracts or agreements) information about customers and any information related to the day-to-day planning, maintenance or operation (ATC, curtailments, line maintenance, line outages, system expansion planning, third party interchange schedules).

<sup>3</sup> Order No. 2004 at P 1.

and interstate natural gas pipelines (the "Order No. 2004 SOC"). These Orders replaced the Order No. 889 SOC.

Generally, any public utility that owns, operates or controls facilities used for transmission of electric energy in interstate commerce is deemed to be a TP under the Order No. 2004 SOC. GTC is not a public utility and, therefore, is not subject to Order No. 2004 SOC. However, GTC's policy has been to adhere to the Order No. 889 SOC as implemented by GTC. GTC has revised its SOC in recognition of Order No. 2004.

Oglethorpe Power Corporation ("OPC") restructured itself in 1997, placing transmission and generation into separate corporations (GTC and OPC, respectively). OPC also spun off GSOC as a services provider. Although GTC and OPC are separate corporations, GTC and OPC have virtually the same Members/owners.

## Organizational Overview

### *Georgia Transmission Corporation (An Electric Membership Corporation) (GTC):*

Organization's purpose is to provide reliable and competitively priced transmission and associated services to its customers. GTC employs no personnel engaged in marketing, sales or brokering.

### *Georgia System Operations Corporation (GSOC):*

Organization's purpose is to benefit the Members by (1) ensuring reliable system operation, and (2) enabling energy market participants to transact, optimize, and account for their business. GSOC implements the GTC Tariff on a real-time basis and takes the necessary steps to conduct business in accordance with the GTC's SOC. GSOC provides, operates and maintains an OASIS site for the implementation of the GTC Tariff 24-hours a day, 7-days a week. GSOC operates the system control center on behalf of GTC, the Members and OPC.

### *Member(s):*

Any Georgia Electric Membership Corporation (EMC) that has entered into a "Member Transmission Service Agreement" with GTC or any Georgia EMC who has entered into a "Member Service Agreement" with GSOC.

### *Oglethorpe Power Corporation (An Electric Membership Corporation) (OPC):*

Organization's purpose is to manage selected power supply resources to meet the energy needs of its EMC owners. OPC employs no personnel engaged in transmission system operation or reliability functions or energy marketing, sales, or brokering functions.

### *Scheduling Member Groups and Agents:*

A Scheduling Member Group (SMG) is a group of Member EMC's that acts

together, assisting in power supply decisions. Agents act on the behalf of Scheduling Member Groups to initiate power supply decisions and transmission arrangements.

For the purpose of this policy, OPC and all Scheduling Member Groups and Agents are considered Energy Affiliates.

*Southern SMG / EnerVision, Inc. / Southern Power  
Cobb/Eagle SMG / Energy Consulting Group / Eagle Energy Corporation  
Progress I SMG / Georgia Energy Cooperative, Inc. / Progress Ventures  
Progress II SMG / Progress Ventures  
Williams SMG / Williams Energy*

**FOR THE PURPOSE OF THIS POLICY, OPC, AND ALL SCHEDULING MEMBER GROUPS AND AGENTS, ARE CONSIDERED ENERGY AFFILIATES.**

## Definitions

**Energy Affiliate:** means an Affiliate of the TP that;<sup>4</sup>

- 1) engages in or is involved in buying or selling in the U.S. energy or transmission markets; or
- 2) manages or controls a TP's transmission capacity in the U.S. energy or transmission markets; or
- 3) buys, sells, trades or administers natural gas or electric energy in the U.S. energy or transmission markets; or
- 4) engages in financial transactions relating to the sale or transmission of natural gas or electric energy.

**OASIS:** Open Access Same-time Information System, the primary means for a Transmission Provider to post crucial operating and capacity information for all customers to view simultaneously.

**Transmission Employee:** means any employee, contractor, consultant or agent of the TP who conducts transmission system operations or reliability functions, including, but not limited to, day-to-day duties and responsibilities for planning, directing, organizing, or carrying out transmission-related operations. For the purposes of this policy, all employees of GTC are considered Transmission Employees.

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<sup>4</sup> Individually, no one Member presently meets the Order No. 2004 SOC definition of "Affiliate". Therefore, no Member meets the Order No. 2004 SOC definition of an "Energy Affiliate" of GTC.

**Transmission Provider:** (TP) is any public utility that owns, operates, or controls facilities used for the transmission of electric energy in interstate commerce.

**Marketing, sales or brokering:** means a sale for resale of natural gas or electric energy in interstate commerce.

## Compliance Officers, OASIS Website and General Information

GTC's Chief Compliance Officer is:

Angela Sheffield  
Director, Internal Audit  
770-270-7910  
Angela.sheffield@gatrans.com

GSOC's Chief Compliance Officer is:

Paul Turner  
Manager, Operations Engineering  
770-270-7493  
Paul.turner@gasoc.com

GTC's SOC Policy Administrator is:

Patrick McGovern  
Manager, System Services  
770-270-7940  
Patrick.mcgovern@gatrans.com

GTC transmission information is posted on the OASIS. Customers and regulators can access the OASIS at [www.weboasis.com](http://www.weboasis.com).

General information concerning both GTC and GSOC can be found on the General Information link at [www.weboasis.com/OASIS/GTC/](http://www.weboasis.com/OASIS/GTC/). Additional information can be requested from the CCO of your company.

## Objectives

The purpose of this Policy is to address the following areas:

- Applicability
- Functional Separation
- Employee Transfers
- Information Access
- Information Disclosure
- Meeting Protocol
- Tariff Implementation
- Emergency Operations
- Written Procedures

# Implementing the Standards of Conduct

## **Applicability**

This Policy applies to Transmission Employees of GTC and GSOC.

## **Functional Separation**

Employees of Energy Affiliates are prohibited from conducting transmission system operations or reliability functions on behalf of GTC and having access to the GSOC system control center or similar facilities used for transmission operations or reliability functions that differ in any way from the access available to other GTC transmission customers.

In order to limit the possibility of inadvertent violations of GTC's SOC, Transmission Employees and Energy Affiliate employees should limit their physical movement through areas designated for other companies or for personnel engaged in other functions.

Physical access to the GSOC system control center is controlled via an access card entry system. No GTC, GSOC or Energy Affiliate employees engaged in marketing, sales or brokering will have access to the GSOC system control center.

## **Employee Transfers**

Transfers between i) GTC or GSOC Transmission Employees and ii) marketing, sales or brokering employees of Energy Affiliates, will be posted on the OASIS, will remain posted for 90 days and will include the following information:

- (1) name of employee(s);
- (2) respective titles held while performing each job function; and
- (3) effective date of transfer

## **Information Access**

Energy Affiliates will not obtain information about the transmission system (including information about available transmission capability, price, curtailments, and the like) that is not publicly available to all other OASIS users. Energy Affiliates may, however, seek information concerning transmission services by following the same procedures required of all other transmission customers and OASIS users.

## **Information Disclosure**

Transmission Employees will not divulge information concerning operation and status of GTC's transmission system or the transmission system of another party to Energy Affiliate employees unless such information is publicly available through OASIS.

Transmission Employees will not share any market information with Energy Affiliate employees, except to the limited extent information is required to be posted on OASIS in response to a request for service.

If a Transmission Employee discloses to an Energy Affiliate any information in a manner contrary to GTC's SOC, the information and the fact that the disclosure occurred will be immediately posted on the OASIS.

If a non-affiliated transmission customer voluntarily consents, in writing, to allow GTC to share the non-affiliated customer's information with its Energy Affiliates, GTC must post notice on the OASIS of that consent along with a statement that GTC did not provide any preferences, either operational or rate-related, in exchange for that voluntary consent.

Transmission Employees will not act as a conduit nor use anyone as a conduit for sharing transmission system information or information acquired from non-affiliated transmission customers with Energy Affiliate employees.

Member managers and employees, as owners of GTC and GSOC, have corporate governance responsibilities. Transmission information may be shared with Member managers; however, they should not be a conduit for transmitting prohibited information to an Energy Affiliate.

### **Meeting Protocol**

Transmission Employees who chair meetings should determine whether the agenda and meeting invitees are compatible with GTC's SOC when discussions involve transmission information. A recommended business practice is for the senior-most meeting attendee to determine if there are any potential conflicts. They should seek affiliation clarification from the other attendees if necessary.

### **Tariff Implementation**

Transmission Employees will apply and enforce tariff provisions related to open access transmission services in a fair and impartial manner towards any transmission customer, including the Members.

GTC will not give preference to sales for resale by any Energy Affiliate over the interests of any other wholesale customers in matters which pertain to the purchase or sale of transmission service.

All discounted transmission services and/or ancillary services will be posted on OASIS and made available to all transmission customers.

### **Written Procedures**

GTC will maintain on its OASIS and in the offices of the System Services Department, 2100 East Exchange Place, Tucker, GA 30085, written procedures implementing GTC's SOC in such detail as will enable employees and customers to understand how GTC maintains compliance.

## Emergency Operations

Under emergency operating conditions which affect system reliability, Transmission Function Employees will take whatever steps that are deemed necessary to keep the system in operation consistent with North American Electric Reliability Council (“NERC” or its successor in function) and FERC policies.

Any actions taken in the event of an emergency which cause GTC to deviate from GTC’s SOC requirements shall be posted on the OASIS within 24 hours of the deviation.

## Written Procedures for Implementing The Standards of Conduct

These written procedures have been developed by GTC to implement GTC’s SOC.

GTC’s SOC are the rules by which GTC will conduct its transmission services business. GTC’s SOC will provide for equal and fair access to transmission system information. Employees are required to contact their manager immediately if they have a question about GTC’s SOC or if they suspect any violation (even if inadvertent) has occurred. Suspected violations must be reported immediately to the Chief Compliance Officer. If deemed appropriate, the Chief Compliance Officer will notify the OASIS Administrator in the GTC System Services Department so that appropriate disclosures can be made on the OASIS in a timely manner. GTC employees will be notified via e-mail of any changes in the violations reporting procedures. An employee’s failure to comply with GTC’s SOC may result in disciplinary action.

The OASIS Administrator in the GTC System Services Department is responsible for the following activities:

1. Administration and compliance with the written procedures and GTC’s SOC.
2. Ensuring notices of employee transfers among employees of GTC/GSOC or Energy Affiliates engaged in transmission system operations or reliability functions, marketing, sales or brokering, are posted on the OASIS.
3. Assisting the Human Resources Department with the computerized tracking of GTC employees who have received the GTC SOC Training and for contractors and others who must sign the Standards of Conduct Acknowledgement form described below.

The Human Resources Department is responsible for the:

1. Distribution of GTC’s SOC to GTC’s employees to ensure that they understand issues related to GTC’s SOC, thereby avoiding violations. GTC employees must take a GTC SOC Training Course and pass a final test with a minimum score of 70%.
2. Distribution of GTC’s SOC to GTC’s contractors and other non-associates to

ensure that they understand issues related to GTC's SOC, thereby avoiding violations. These individuals are required to sign a Standards of Conduct Acknowledgement form stating that they have received, read, and understood GTC's SOC.

GTC will post on its OASIS a detailed organizational chart and job descriptions indicating which employees are engaged in transmission system operations. The charts will show the chain of command. The job descriptions will identify the names and titles of employees who are engaged in transmission system operations or reliability functions.

In order to limit the possibility of inadvertent violations of GTC's SOC, Transmission Function employees should limit their physical movement through areas designated for other companies or for personnel engaged in other functions.

Physical access to the GSOC system control center is controlled via an access card entry system. No Energy Affiliate has access to the GSOC system control center.

Confidential documentation and information pertaining to transmission system operations and reliability are maintained in locked files and secure password-protected personal computers. Only personnel engaged in transmission system operations and reliability functions have access to such files.

OPC, GTC, and GSOC each have LAN servers for file and print services to which only employees and contractors of that company have access. A login ID and password are required to obtain access on each server. Furthermore, associates can access only the data that their ID has been granted rights to access. GTC, GSOC, and OPC share access to the Energy Control System (ECS). GSOC is responsible for the ECS and for implementing and maintaining information access and display controls.

## Signatures



December 31, 2005

Mike Smith – GTC

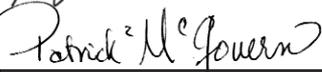
Date



December 31, 2005

Jerry Saacks – GSOC

Date



December 31, 2005

Patrick Z. McGovern – SS GTC

Date

12/31/05



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