

Standards of Conduct for Non-Public BCTC Information

November 10, 2004

BC Hydro has established a "no conduit" prohibition, embodied in our Standards of Conduct (SOC), to ensure that non-public BC Transmission Corporation (BCTC) information acquired by BC Hydro employees and affiliates is not transmitted to anyone else except as required to perform their functions under the Key Agreements.

Over the next few days a compliance information package will be sent directly to all affected and support employees, who are required to read and familiarize themselves with its contents.

The compliance information package consists of:

- An organization chart showing the Affected (in yellow) and Support Employee (pale yellow) groups.
- An explanation of the SOC procedures and implementation process
- The Standards of Conduct

The intent of the SOC is that:

All BC Hydro employees must be aware of the SOC. The intent is to ensure the non-discriminatory open transmission access objectives of the Province of British Columbia are met, as set out in the Energy Plan.

Employees will not disclose BCTC's non-public transmission-related information or act as a conduit of the information. This applies to those within BC Hydro that receive the information from BCTC to perform the roles and responsibilities BC Hydro assumed in the Key Agreements between BC Hydro and BCTC ("affected employees") and those who directly support them ("support employees"). These employees may share this information with others within BC Hydro that also require the information to perform the roles and responsibilities BC Hydro assumed in the Key Agreements.

BC Hydro personnel who are anticipated to receive confidential non-public transmission information from BCTC will also receive a confirmation of receipt of the compliance information package, and are required to complete the confirmation and return it to the Compliance Office by November 18.

In the near future, these groups will receive training on the types of BCTC information covered by the SOC and how it is to be controlled. Employees will also sign a certification with respect to the no-conduit prohibition.

Integrity, honesty and trust are essential elements of our business success. Any officer or employee who knows or suspects the SOC have been, or are likely to be, breached has a responsibility to report it.

A confidential phone line [1 866 364-9376] has been set up to report suspected violations or ask questions about the SOC. The Compliance Office, which administers the SOC, was established on October 14. **Alistar Cowan**, Executive Vice-President Finance and Chief Financial Officer, has recently taken on the role of Chief Compliance Officer.

For further information on the SOC or the related compliance issues, please contact Frederick Metcalfe, Director of Compliance.