

BC Hydro Written Procedures

For Implementing Open Access Transmission Tariff
Standards of Conduct (OATT-SOC)

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1. Background & Purpose

In accordance with Sections 21 to 33 of the *Clean Energy Act*, on July 5, 2010 BC Hydro became the operator of the transmission system and responsible for the administration of the Open Access Transmission Tariff (OATT). The OATT sets out the price, terms, and conditions by which BC Hydro conducts business with transmission customers and potential transmission customers. The full text of the OATT can be found [here](#).

The OATT requires that BC Hydro follow British Columbia Utilities Commission (BCUC) policies and the Federal Energy Regulatory Commission's (FERC) reciprocal access standards in operating the transmission system. The Standards of Conduct (SOC) for the administration of the OATT were approved by BCUC Order G-111-10 and became effective on July 5, 2010 (OATT-SOC). The full text of the OATT-SOC can be found [here](#).

The purpose of these procedures is to demonstrate how BC Hydro implements and complies with the OATT-SOC. This document will be distributed to all Transmission Function Employees (TFEs), Marketing Function Employees (MFEs), and Potential Conduit Employees (PCEs) and posted on BC Hydro's public website.

2. Applicability

Equivalents of the OATT-SOC apply to any North American utility who owns, operates, or controls facilities used for the transmission of electric energy into external markets (in BC Hydro's case, the U.S. and Alberta) and conducts transmission transactions with an affiliate (in BC Hydro's case, Powerex) that engages in Marketing Functions.

The OATT-SOC are directly applicable to TFEs, MFEs, and PCEs, the last of which may include BC Hydro employees in a variety of roles. The OATT-SOC are also directly applicable to Reliability Coordinator Employees (RCEs), as if they were TFEs. These obligations are in addition to the obligations RCEs have under their own [Reliability Coordinators Standards of Conduct \(RC-SOC\)](#).

Moreover, the OATT-SOC apply to all BC Hydro employees, contractors, consultants, and agents who do not meet the definition of a TFE, MFE, or PCE, but who are subject to the Non-disclosure (no-conduit) Rule prohibiting employees from transmitting restricted information to MFEs.

3. Key Definitions

- A. Employee** means any employee, contractor, consultant or agent. All BC Hydro employees are required to comply with the OATT-SOC.
- B. Marketing Function** means the sale for resale, or the submission of offers to sell, of electric energy or capacity, demand response, virtual transactions, or financial or physical transmission rights, all as subject to an exclusion for bundled retail sales.
- C. Marketing Function Employee (MFE)** means an employee of BC Hydro or of an affiliate of BC Hydro who actively and personally engages on a day-to-day basis in marketing functions.
- D. Non-Disclosure (No-Conduit) Rule** means BC Hydro employees are prohibited from using anyone as a conduit for the disclosure of non-public transmission function information to its marketing function employees or marketing function employees of its affiliate, Powerex, unless limited exceptions apply.
- E. Non-public** means not posted on the public website or Open Access Same-Time Information System (OASIS) or not otherwise simultaneously available to all transmission customers and potential transmission customers.

- F. Open Access Same-Time Information System (OASIS)** means the real-time information sharing system used to communicate with customers, provide transmission system information, process requests for transmission service and post certain SOC requirements.
- G. Potential Conduit Employees (PCE)** means an employee of BC Hydro or an affiliate of BC Hydro who is not designated as a transmission function employee or as a marketing function employee and may be privy to transmission function information from time-to-time.
- H. Public Information (transmission information not restricted under SOC)** means information posted on the public website, posted on BC Hydro's OASIS or otherwise simultaneously available to all other BC Hydro transmission customers or potential transmission customers.
- I. Public website** means the Internet location where BC Hydro posts the information, by electronic means, required under the SOC.
- J. Reliability Coordinator Employee (RCE)** means an employee of BC Hydro or employee of any of its affiliates who performs Reliability Coordinator functions. The definition includes both employees and personnel hired on contract by the Reliability Coordinator Manager to perform Reliability Coordinator functions.
- K. Reliability Coordinator Function** means assessing electricity transmission reliability, coordinating system operations, and directing actions to preserve the integrity and reliability of the bulk electric system in B.C.
- L. Standards of Conduct Chief Compliance Officer (SOC CCO)** means the person BC Hydro has designated to be responsible for SOC compliance.
- M. System Control Centres** mean the operations centres for the transmission system, where operators control, monitor, and operate BC Hydro's transmission system.
- N. System User** means any user of the interconnected transmission system for which BC Hydro is responsible as Reliability Coordinator.
- O. Transmission Function** means the planning, directing, organizing, or carrying out of day-to-day transmission operations, including the granting, and denying of transmission service requests. The transmission function includes activities focused on short-term real time operations, including those decisions made in advance of real time but directed at real time operations, and activities that support the granting or denying of requests for transmission service including interconnection service.
- P. Transmission Function Employee (TFE)** means an employee of BC Hydro who actively and personally engages on a day-to-day basis in transmission functions.
- Q. Transmission Function Information** means information related to day-to-day transmission operations and includes but is not limited to available transmission capacity, outages, price of transmission, curtailments, balancing, and the granting and denying of transmission service requests, and includes transmission customer information.

4. Principles

The OATT-SOC are designed to promote four basic principles:

1. **Non-discrimination:** BC Hydro 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 any undue prejudice or disadvantage with respect to any transmission of electric energy.

In addition, the OATT sets out the terms and conditions by which BC Hydro conducts business with transmission customers and potential transmission customers, whether affiliated or not, to provide equal access to non-public transmission function information (NPTFI).

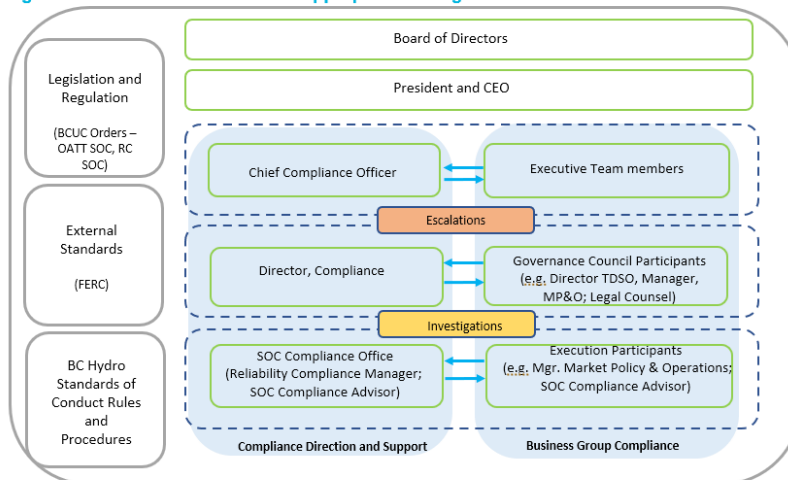
2. **Independence:** TFEs must function independently from MFEs, except in emergency circumstances or as otherwise permitted by BCUC order. TFEs must not conduct Marketing Functions and MFEs must not conduct Transmission Functions or have access to the system control centre or similar facilities that differs in any way from the access available to other transmission customers.
3. **Non-disclosure (no conduit):** BC Hydro's employees, contractors, consultants, and agents may not disclose, or use a conduit to disclose, NPTFI to MFEs, unless limited exceptions apply.
4. **Transparency:** BC Hydro shall comply with the OATT-SOC in a transparent manner through compliance with various posting requirements and will provide equal access to NPTFI to all its affiliated and non-affiliated transmission customers.

5. Standards of Conduct Governance

Overall accountability for the OATT-SOC resides with the Chief Compliance Officer (SOC CCO). The SOC Compliance Office within the Compliance group is responsible for implementing and administering the OATT-SOC, as well as similar requirements of the RC-SOC (collectively, SOC).

SOC Governance Framework

Assignment of accountabilities to the appropriate management levels.



TDSO = Transmission & Distribution System Operations
 SOC = Standards of Conduct (the office, Manager; Compliance Advisor)

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6. Incident Reporting

Any BC Hydro employee, contractor, consultant, or agent who becomes aware of a potential breach of the SOC should immediately report it to the SOC Compliance Office.

Potential breaches (incidents) can be reported to the SOC Hotline at 1-866-364-9376, emailed to StandardsofConductSOC@bchydro.com, or self-reported to the SOC Compliance Office, and may be reported anonymously. Anyone who reports in good faith a situation that may be contrary to these Standards of Conduct will not be the subject of retaliation or of administrative and disciplinary measures.

7. Investigation Process

The SOC Compliance Office¹ will schedule a meeting (virtual or in-person) within two business days of notification of a potential breach.

Roles and Responsibilities:

- **SOC Compliance Advisor:** schedules meeting(s), gathers initial investigation facts and completes the SOC investigation template, drafts investigation report and obtains sign-offs.
- **SOC Compliance Manager:** attends investigation meeting(s) and approves final investigation report for submission to SOC CCO.
- **SOC Council (includes business operations):** provides necessary information and technical expertise, reviews investigation reports for clarity and accuracy.
- **Legal Services:** provides legal expertise, reviews investigation reports for clarity and accuracy.

The investigation process is targeted to be complete within five business days of initial meeting. For more information about the investigation process, see internal document [2108-INV Job Aid Investigation Guideline](#).

Further to an investigation, the SOC CCO shall issue any decision or take any corrective action they consider appropriate.

8. Identifying Impacted Employees

- A. The SOC Compliance Office, along with the functional manager, determines which positions should be designated as TFE, MFE, or PCE depending on their roles and responsibilities.
- B. The SOC Compliance Office tracks all designated positions through BC Hydro's position management system.
- C. The SOC Compliance Office posts lists of individuals designated as TFEs and MFEs on its intranet site for reference.
- D. The SOC Compliance Office posts a colour coded organization chart showing groups that contain TFEs, MFEs, and PCEs on its intranet site for reference.

¹ Either the SOC Compliance Advisor or SOC Compliance Manager or both.

9. Independent Functioning of Transmission Function Employees and Marketing Function Employees

TFEs function separately and independently from MFEs, except in emergency circumstances or as otherwise permitted by BCUC order. As mentioned above, a list of current TFEs and MFEs is posted internally for all BC Hydro employees on the SOC Compliance Office's intranet site.

A. Physical Separation

BC Hydro maintains strict policies, procedures, and physical access restrictions to regulate access to its System Control Centres. If and when BC Hydro and its affiliates undertake new marketing functions, the written procedures will be updated to reflect the employee groups engaged in the new functions and measures will be taken to ensure their physical separation from TFEs.

TFEs are primarily located at the System Control Centre in the Fraser Valley Office in Langley, B.C.

MFEs are primarily located at Powerex's Vancouver, B.C. office at 1400-666 Burrard Street.

B. Electronic Separation and Access Restrictions

- 1) MFEs are prohibited from gaining access to certain systems that contain restricted transmission information.
- 2) The SOC Compliance Office:
 - a. Posts a list of MFE employees on its intranet.
 - b. Reviews the list monthly for additions and deletions.
 - c. Sends a notification to certain system administrators when additions and deletions to the MFE list occur.
 - d. Maintains a list of systems containing transmission information and their processes and controls to prevent the disclosure of NPTFI to MFEs.
- 3) The SOC Compliance Office will perform quality assurance reviews on system accesses on a regular basis as outlined in section 13 of these procedures.

C. Interactions and Meetings

Interactions and meetings between BC Hydro employees and Powerex employees that include MFEs and TFEs are generally permissible under the SOC. Undesignated employees, including undesignated employees who may become privy to transmission function information in the course of performing their work, may interact freely with both MFEs and TFEs. These interactions may include long-range integrated planning; design and implementation of compliance programs; investigation and remediation of potential violations; legal, regulatory and rate matters; development of reliability standards; and training related to disaster/outage preparedness. The only restriction on these interactions is that NPTFI may not be disclosed to MFEs except as permitted under section 11 of these procedures.

Interactions and meetings involving only TFEs and MFEs are not barred under the SOC, however, interactions and meetings in which NPTFI is disclosed may only take place in accordance with section 10 of these procedures.

D. Meeting Processes and Controls

- 1) Monitoring – the SOC Compliance Office attends the weekly and monthly resource coordination meetings between MFEs and TFEs and other meetings as relevant.
- 2) Minutes for the resource coordination meetings are uploaded to a designated SharePoint site and are reviewed by the SOC Compliance Office and retained for five years.
- 3) A reminder regarding the disclosure of NPTFI is the first course of business at every resource coordination meeting:

Standards of Conduct (SOC) Reminder: The disclosure of non-public transmission function information (**NPTFI**) to any of our internal or affiliated MFEs is prohibited under the SOC.

General Rule: NPTFI is past, present, or future information that may impact TTC/ATC decisions in real-time (typically within one-day) that has not been released simultaneously to all wholesale transmission customers.

- 4) Call Monitoring – real-time operations' calls are recorded; samples are logged to a dedicated SharePoint site and reviewed by the SOC Compliance Office.
- 5) Integrated Planning Meeting Guidelines – a job aid has been developed to ensure undesignated employees do not become a conduit of NPTFI during resource planning meetings. For more information see internal [2101-LTP Guidance Document Long-term Planning](#).
- 6) Other Interactions – TFEs must keep a record of all other day-to-day business-related interactions (e.g., emails and non-recorded telephone conversations) with MFEs for a period of five years. These interactions are monitored and reviewed by the SOC Compliance Office independently. For more information see internal [2104-REC Job Aid Recordation of NPTFI](#).

10. Non-Disclosure (the “No-Conduit Rule”)

- A. TFEs are prohibited from disclosing, or using a conduit to disclose, NPTFI to MFEs, except as permitted under section 11 of these procedures.
- B. If the information is posted on the public website, posted on OASIS or otherwise simultaneously available to all other BC Hydro transmission customers or potential transmission customers, then it is considered public within the context of the OATT-SOC and can be shared with MFEs.
- C. If NPTFI is disclosed to MFEs in contravention of this rule, then BC Hydro must immediately post such information and notice of the disclosure on the public website and may also post on OASIS.
- D. If non-public transmission customer information or any other information that the BCUC has determined to be subject to limited dissemination is improperly disclosed, then BC Hydro must immediately post notice of the disclosure on the public website.

BC Hydro has several methods of preventing inadvertent disclosure of NPTFI, including:

- BC Hydro provides training to all employees regarding the No-Conduit Rule in its annual refresher training, and provides targeted, in-person training to employees deemed mostly likely to be conduits.
- An email reminder is included in the signature line of TFE emails reminding employees that the disclosure of NPTFI to MFEs is prohibited.
- The SOC Compliance Office maintains a schedule of periodic monitoring and review activities and may review meeting materials or information prior to dissemination to ensure that no NPTFI will be presented or disclosed.

11. Permitted Disclosure of Non-public Transmission Function Information to Marketing Function Employees

The OATT-SOC permit interaction and meetings involving only TFEs and MFEs of BC Hydro or its affiliates, and the disclosure of NPTFI to MFEs, in the following circumstances:

- A. MFE's Own Request for Transmission Service:** TFEs or undesignated employees may discuss with an MFE a specific request for transmission service submitted by the MFE. The discussion may include NPTFI. BC Hydro is not required to contemporaneously disclose or post such information if it relates solely to the MFE's specific request for transmission service.
- B. Transmission Customer's Voluntary Consent:** Transmission customers may voluntarily consent, in writing, to allow BC Hydro to disclose the customer's non-public information to MFEs. BC Hydro must post notice of the consent on its public website prior to any disclosure, along with a statement that it did not provide any operational or rate-related preferences in exchange for the voluntary consent. No other contemporaneous disclosure or posting is required.
- C. Information Pertaining to Compliance with Reliability Standards:** TFEs or undesignated employees may disclose NPTFI to MFEs pertaining to compliance with reliability standards adopted by the BCUC. A contemporaneous record must be made of any information exchanged under this exception by the person making the exception. This record must be forwarded to the SOC Compliance Office and will be retained for at least five years. In emergency circumstances, a record of the exchange may be made as soon as practicable after the fact.
- D. Information Necessary to Restore or Maintain System Operation:** TFEs or undesignated employees may disclose NPTFI to MFEs necessary to maintain or restore operation of the transmission system and generating units, or that may affect the dispatch of generating units. A contemporaneous record must be made of any information exchanged under this exception by the person making the exception. This record must be forwarded to the SOC Compliance Office and will be retained for at least five years. In emergency circumstances, a record of the exchange may be made as soon as practicable after the fact.

When a contemporaneous record is required, the record may consist of handwritten or typed notes, electronic records such as emails and text messages, recorded telephone exchanges, and the like. The record must be retained for five years.

To ensure compliance on A through D above, BC Hydro has developed additional internal guidelines including a schedule of regular monitoring and periodic reviews. For more information on this requirement see section 14 and internal [2102-MON Job Aid Control Monitoring Activities](#).

12. Training

All TFEs, MFEs, and PCEs are required to complete annual OATT-SOC training. All new employees in these categories receive OATT-SOC training within 30 days of their hire date. Employees must certify in writing or electronically that they have received the training.

BC Hydro has several methods of ensuring training compliance, including:

- A. Position numbers are utilized for identifying, tracking, and adding mandatory SOC training requirements into BC Hydro's on-line learning system.
- B. Monthly and bi-weekly review of the lists of MFEs, TFEs, and PCEs, which are checked against Human Resources data and may be reviewed with the business managers to ensure training compliance.
- C. Annual training compliance is tracked and recorded monthly.
- D. Training is developed in collaboration with other utilities and based on FERC requirements. Training is reviewed annually, and improvements are implemented based on feedback and through the OATT-SOC training data and survey suggestions.
- E. The SOC Log of Issues tracks inquiries (which may affect training content); and, targeted in-person training sessions.

13. Standards of Conduct Posting Requirements

The OATT-SOC requires BC Hydro to publish specific information on its public website and, optionally, on OASIS. The expectation is that postings should be updated as soon as practicable, and in any event within seven business days, unless an earlier deadline is set out in the OATT-SOC.

BC Hydro will post the following information:

- A. **Chief Compliance Officer:** BC Hydro has designated the Senior Vice President, General Council as its SOC Chief Compliance Officer.
- B. **Affiliate Information:** BC Hydro's marketing affiliate Powerex has employees that perform marketing functions and are located at their Vancouver, B.C. office at 1400-666 Burrard Street.
- C. **Shared Facilities:** Most of BC Hydro's transmission functions and marketing functions are performed in different facilities. However, BC Hydro's Burnaby facility provides office space for a few employees performing system impact studies and certain functions relating to generation who are designated Marketing Function Employees.
- D. **Transmission Function Employees:** BC Hydro has posted the job titles and job descriptions of all TFEs on the Public website.
- E. **Transfers:** BC Hydro posts any transfer of an employee or an employee of an affiliate from a transmission function to a marketing function, or from a marketing function to a transmission function. Postings include name of employee, job titles of both the vacated position and the new position, and the effective date, and must remain on the public website for at least 90 days.
- F. **Written Procedures:** BC Hydro posts these written procedures implementing the OATT-SOC.
- G. **Voluntary Consents:** BC Hydro posts notice of any voluntary consent provided by customers to

authorize BC Hydro to disclose non-public customer information to MFEs, along with confirmation that it did not provide any preferences, either operational or rate-related, to obtain the consent.

- H. **Waivers:** BC Hydro is required to post a notice of waiver whenever it waives any OATT provision for a customer within one business day of the act of a waiver. BC Hydro posts such notices on its public website.
- I. **Information Disclosures:** BC Hydro must immediately post notice of any disclosures of NPTFI to an MFE and such information on the public website, unless one of the exceptions discussed in Section 11 applies.

14. Performance Monitoring

BC Hydro has developed regular monitoring and review schedules to encourage open and transparent reporting.

- Internal, Regular Monitoring Guideline - See [2103-MON Job Aid Control Monitoring Activities](#)
- Internal, Review Guideline – See 2106-AUD Job Aid Internal Review Guideline (pending)

The SOC Compliance Office measures the effectiveness of the OATT-SOC program by reviewing the monitoring results, the issues log, performing knowledge surveys, and investigating the OATT-SOC inquiries it receives, and adjusts the program as required. Additionally, the SOC Compliance Office has committed to complete a jurisdictional scan for best practices every three years.

15. Standards of Conduct Chief Compliance Officer

BC Hydro's SOC Chief Compliance Officer is:

Ken Duke
Senior Vice President, General Counsel
18th Floor - 333 Dunsmuir
Vancouver, B.C. V6B 5R3

16. Contact Information

For confidential reporting or if you have questions call 1-866-364-9376 or email StandardsofConductSOC@bchydro.com.

17. Revision/Issue Log

First printed November 8, 2010

Reprinted with clarifications/amendments on following dates:

January 14, 2011

November 14, 2012

March 7, 2013

April 15, 2015

April 22, 2015

January 28, 2020

September 24, 2020

March 2022

December 2022 – Section 13. D: removed the phrase “This is currently under development.”; variety of formatting changes, updated hyperlinks, and Job Aid descriptions.

March 2023 – Section 12. C: removed the phrase: “All BC Hydro employees complete annual refresher training which is a mandatory requirement for all employees and includes an OATT-SOC component.”

January 2025 – Section 13 update to reference of the of Chief Compliance Officer, and Governance Framework; Section 5: update to reference of the of Chief Compliance Officer; ‘SOC Office’ updated to ‘SOC Compliance Office’ through out.