

**STANDARDS OF CONDUCT
FOR PROVIDING OPEN ACCESS TRANSMISSION
AND INTERCONNECTION SERVICE
(STANDARDS OF CONDUCT)
P603**

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1) PURPOSE

Manitoba Hydro is an integrated company and the purpose of the Manitoba Hydro Standards of Conduct is to govern interactions between Transmission Function Employees and the Marketing Function Employees at Manitoba Hydro. All Transmission Customers, affiliated or not, can receive Transmission Service in a non-discriminatory manner.

2) GENERAL PRINCIPLES

- a) As more fully described and implemented in section 4) a) hereto, Manitoba 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.

- b) As more fully described and implemented in section 4) b) hereto, Manitoba Hydro's Transmission Function Employees must function independently from its Marketing

Function Employees, except as permitted in these Standards of Conduct.

- c) As more fully described and implemented in section 4) c) hereto, Manitoba Hydro and its employees, contractors, consultants and agents are prohibited from disclosing, or using a conduit to disclose, Transmission Function Information to Marketing Function Employees.
- d) As more fully described and implemented in section 4) d) hereto, Manitoba Hydro must give equal access to Transmission Function Information disclosed to Marketing Function Employees to all its Transmission Customers, affiliated and non-affiliated, except as permitted in these Standards of Conduct.

3) DEFINITIONS

- a) **“Affiliate”** of a specified entity means another person that controls, is controlled by or is under common control with, the specified entity. An affiliate includes a division of the specified entity that operates as a functional unit. “Control” as used in this definition means the direct or indirect authority, whether acting alone or in conjunction with others, to direct or cause to direct the management policies of an entity. A voting interest of 10 percent or more creates a rebuttable presumption of control.
- b) **“Critical Energy Infrastructure”** is information concerning proposed or existing critical infrastructure (physical or virtual) that:
 - 1. Relates to the production, generation, transmission or distribution of energy;
 - 2. Could be useful to a person planning an attack on critical infrastructure;
 - 3. Is exempt from mandatory disclosure under the Freedom of Information Act; and
 - 4. Gives strategic information beyond the location of the critical infrastructure.
- c) **“Internet Website”** refers to the Internet location where Manitoba Hydro posts, by electronic means, among other things, the information required to be posted under these Standards of Conduct, such Internet Website being www.hydro.mb.ca.
- d) **“Marketing Function”** means the sale for resale of, or the submission of offers to sell electric energy or capacity, demand response, virtual transactions, or financial or physical transmission rights.
- e) **“Marketing Function Employee”** means an employee, contractor, consultant or agent of Manitoba Hydro or of an Affiliate of Manitoba Hydro who actively and personally engages on a day-to-day basis in the Marketing Function.

- f) **“Open Access Same-time Information System” or “OASIS”** refers to a computerized information system, developed as an Internet application, that allows Manitoba Hydro to post, by electronic means, information relating to its Open Access Transmission Tariff (OATT) and its Open Access Interconnection Tariff (OAIT) and where it may also post the information required to be posted on its Internet Website by these Standards of Conduct.
- g) **“System Control Center”** means the operations centre(s) for the transmission system, where operators control, monitor and operate Manitoba Hydro’s transmission system
- h) **“Tariff”** means Manitoba Hydro’s Open Access Transmission Tariff (OATT) and/or Manitoba Hydro’s Open Access Interconnection Tariff (OAIT).
- i) **“Transmission”** means electric transmission, network or point-to-point service, ancillary services or other methods of electric transmission, or the interconnection with transmission facilities.
- j) **“Transmission Customer”** means any eligible customer, shipper or designated agent that can or does execute a Transmission Service agreement or can or does receive Transmission Service, including all persons who have pending requests for Transmission Service or for information regarding Transmission.
- k) **“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.
- l) **“Transmission Function Employee”** means an employee, contractor, consultant or agent of Manitoba Hydro who actively and personally engages on a day-to-day basis in the Transmission Function.
- m) **“Transmission Function Information”** means non-public information related to a Transmission Function that is not otherwise available to the general public without restriction and may include, but is not limited to the following: information regarding transmission maintenance schedules; transmission customers;=available transmission capacity; transmission service requests; transmission outages; expansion plans and schedules; and, transmission loading relief.
- n) **“Transmission Provider”** means the Operations Business Unit of Manitoba Hydro.
- o) **“Transmission Service”** means the provision of any Transmission.
- p) **“Waiver”** means the determination by Manitoba Hydro’s transmission provider, if authorized by its tariff, to waive any provisions of its tariff for a given entity.

4) **FOUR RULES**

a) **Non-Discrimination Rule**

- i) Manitoba Hydro must 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.
- ii) Manitoba Hydro must apply 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.
- iii) Manitoba Hydro may not, through its Tariffs 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).
- iv) Manitoba Hydro must process all similar requests for Transmission in the same manner and within the same period of time.

b) **Independent Functioning Rule**

- i) Except as permitted in these Standards of Conduct, Transmission Function Employees must function independently of Marketing Function Employees.
- ii) Manitoba Hydro is prohibited from permitting its Marketing Function Employees to:
 - conduct Transmission Functions; or,
 - have access to any System Control Centres or similar facilities used for Transmission operations that differs in any way from the access available to other Transmission Customers.
- iii) Manitoba Hydro is prohibited from permitting its Transmission Function Employees to conduct Marketing Functions.

c) **No Conduit Rule**

- i) Manitoba Hydro is prohibited from using anyone as a conduit for the disclosure of Transmission Function Information to its Marketing Function Employees. It is a one-way restriction, meaning that it applies only to the transfer of information to Marketing Function Employees; Transmission Function Employees are not prohibited from having access to Marketing Function information.
- ii) Any employee, contractor, consultant or agent of Manitoba Hydro, and any

employee, contractor, consultant or agent of an Affiliate of Manitoba Hydro engaged in the Marketing Function, is prohibited from disclosing Transmission Function Information to any Marketing Function Employee.

d) **Transparency Rule**

The Transparency Rule requires the public posting of certain information and is designed to alert Transmission Customers to potential instances of undue preference arising from improper disclosure of Transmission Function Information in order to ensure equal access to Transmission Function Information.

i) **Contemporaneous Disclosure**

Manitoba Hydro must immediately post Transmission Function Information that is disclosed to a Marketing Function Employee in a manner contrary to the requirements of these Standards of Conduct. If the disclosed information is confidential information of a Transmission Customer or Critical Energy Infrastructure Information, Manitoba Hydro must post a statement that a disclosure was made but shall not post the information disclosed. Any posting required to be made under this section shall be posted on the “Notices” Section under “Standards of Conduct” [Link To SOC external website](#) on the Internet Website.

ii) **Exclusion for Specific Transaction Information**

A Transmission Function Employee may discuss with a Marketing Function Employee a specific request for Transmission Service submitted by the Marketing Function Employee. Manitoba Hydro is not required to contemporaneously disclose information to which these Standards of Conduct would otherwise apply, if the information relates solely to the Marketing Function Employee’s specific request for Transmission Service.

iii) **Voluntary Consent Provision**

A Transmission Customer may voluntarily consent, in writing, to allow Manitoba Hydro to disclose the Transmission Customer’s non-public information to Marketing Function Employees. If the Transmission Customer authorizes Manitoba Hydro to disclose its information to Marketing Function Employees, Manitoba Hydro must 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.

iv) **Posting Written Procedures on the Public Internet**

Manitoba Hydro must post on its Internet Website current written procedures implementing these Standards of Conduct.

v) **Identification of Affiliate Information on the Public Internet**

- Manitoba Hydro must post on its Internet Website the names and addresses of all its Affiliates that employ or retain Marketing Function Employees.

- Manitoba Hydro must post on its Internet Website a complete list of the employee-staffed facilities shared by any Transmission Function Employees and Marketing Function Employees. The list must include the types of facilities shared and the addresses of the facilities.
 - Manitoba Hydro must post information concerning potential merger partners as Affiliates that may employ or retain Marketing Function Employees, within seven (7) days of the potential merger being announced.
- vi) Identification of Employee Information on the Public Internet
- Manitoba Hydro must post on its Internet Website the job titles and job descriptions of its Transmission Function Employees.
 - Manitoba Hydro must 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 must remain on its Internet Website for 90 days. No such job transfer may be used as a means to circumvent any provision of these Standards of Conduct. The information to be posted must include:
 - (i) name of transferring employee,
 - (ii) respective titles held while performing each function (that is, as a Transmission Function Employee and as a Marketing Function Employee), and,
 - (iii) the effective date of transfer.
- vii) Timing and General Requirements of Posting on the Public Internet
- Manitoba Hydro must update its Internet Website with the information required by these Standards of Conduct within seven (7) business days of any change and must include the date on which the information was updated. Manitoba Hydro may also post the information required under these Standards of Conduct on its OASIS, but is not required to do so.
 - In the event an emergency, such as an earthquake, flood, fire, hurricane or cyber event, severely disrupts Manitoba Hydro's normal business operations, the posting requirements in these Standards of Conduct may be suspended by Manitoba Hydro.
 - All Internet Website postings required by these Standards of Conduct must be sufficiently prominent as to be readily accessible.
- viii) Exclusions for and Recordation of Certain Information Exchanges
- Notwithstanding the requirements of Section 4(b)(i) and 5, Transmission Function Employees and Marketing Function Employees may exchange certain Transmission Function Information, as detailed below, in which case Manitoba Hydro must make and retain a contemporaneous record of all such exchanges, except in emergency situations, in which case a record must be

made of the exchange as soon as practicable after the fact. The record may consist of hand-written or typed notes, electronic records such as e-mails, text messages, recorded telephone exchanges or other electronic communications. The record must be retained for a period of five (5) years.

- The Transmission Function Information subject to this exclusion is as follows:
 - (i) information pertaining to compliance with reliability standards applicable to Manitoba Hydro, and,
 - (ii) information necessary to maintain or restore operation of the transmission system or generating units, or that may affect the dispatch of generating units.

ix) Posting of Waivers

Manitoba Hydro must post on its Internet Website notice of each waiver of a Tariff provision that it grants in favor of an Affiliate, as authorized by its Tariff. The posting must be made within one (1) business day of the act of a Waiver. Manitoba Hydro must also maintain a log of the acts of waiver. The record must be kept for a period of five (5) years from the date of each act of waiver.

5) IMPLEMENTATION REQUIREMENTS

a) Effective Date

These Standards of Conduct are effective August 26, 2021.

b) Compliance Measures and Written Procedures

- i) Manitoba Hydro must implement measures to ensure that the requirements of Sections 4(b) and 4 (c) are observed by its employees and the employees of its Affiliates.
- ii) Manitoba Hydro must distribute the written procedures referred to in Section 4(d)(iv) to all its Transmission Function Employees, Marketing Function Employees, officers, directors, supervisory employees, and any other employees likely to become a conduit of Transmission Function Information.

c) Training and Compliance Personnel

- i) Manitoba Hydro must cause to be provided annual training on the Standards of Conduct to all the employees listed in paragraph (b)(ii) of this section. Manitoba Hydro must cause to be provided training on the Standards of Conduct to new employees in the categories listed in paragraph (b)(ii) of this section, within the first 30 days of their employment. Manitoba Hydro must maintain reliable records of each employee who has completed the training.
- ii) Manitoba Hydro must designate a Compliance Officer who will be responsible for Standards of Conduct compliance. Manitoba Hydro must post the name of the Compliance Officer and provide their contact information on its Internet Website.

d) Books and Records

Manitoba Hydro must maintain its books of account and records separately from those of its Affiliates that employ or retain Marketing Function Employees.