

# **RELIABILITY COORDINATOR CODE OF CONDUCT**

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## 1. DEFINITIONS

In this Reliability Coordinator Code of Conduct, the definitions below apply:

“Act”: *An Act respecting the Régie de l'énergie* (R.S.Q., c. R-6.01);

“Affiliate of the Transmission Provider”: Any of the entities referred to in Schedule 1 to this Code of Conduct;

“Code of Conduct”: This Reliability Coordinator Code of Conduct;

“Company”: Hydro-Québec;

“Director”: The Director of the Transmission Provider’s Direction designated by the Régie de l'énergie as the Reliability Coordinator;

“OASIS”: Open Access Same-Time Information System, the Web-based software used to request, approve and administer a transmission service and disseminate information about the transmission system;

“Preferential Treatment”: Treatment that gives an advantage to one System User over another System User in violation of this Code of Conduct;

“Régie”: The Régie de l'énergie;

“Reliability Coordinator”: The Direction of the Transmission Provider designated by the Régie de l'énergie, on the conditions it determines, as the Reliability Coordinator for Québec;

“Staff”: Personnel who are under the authority of the Reliability Coordinator or under the authority of another unit of the Transmission Provider who perform functions related to the Reliability Coordinator’s role. The definition includes personnel fulfilling the functions of the Balancing Authority, Transmission Operator and Interchange Authority. The definition includes both management and employees, as well as personnel hired on contract by the Reliability Coordinator or another unit of the Transmission Provider to perform functions related to the Reliability Coordinator’s role. ;

“Subsidiary”: A subsidiary as defined in the *Companies Act* (R.S.Q., c. C-38);

“System User”: Any user of the electric power transmission system for which the Reliability Coordinator is responsible, and more specifically, any generator owner or operator, any transmission provider, any distributor, any customer connected directly to such electric power transmission system or a person who uses an electric power transmission system under an electric power transmission service agreement with the Transmission Provider or with any other carrier in Québec;

“Transmission Provider”: Hydro-Québec when carrying on electric power transmission activities within the meaning of the Act.

## **2. APPLICATION**

**2.1** The Code of Conduct governs the activities of Staff. Accordingly, each and every member of Staff is governed by the Code of Conduct.

## **3. PURPOSE**

**3.1** This Code of Conduct is intended to prevent any form of Preferential Treatment by Staff in favour of other units of the Transmission Provider, Affiliates of the Transmission Provider or other System Users.

**3.2** This Code of Conduct governs the decisions or actions of Staff so as to ensure that the reliability of the electric power transmission system for which the Reliability Coordinator is responsible remains the priority in all circumstances.

## **4. RULES OF CONDUCT**

### **General Rules**

- 4.1 Staff shall act in a manner that gives priority to the reliability of the electric power transmission system for which the Reliability Coordinator is responsible.
- 4.2 Staff shall treat all System Users in a fair and non-discriminatory manner.

### **Independence**

- 4.3 Decisions or actions by Staff shall not favour commercial interests over the reliability of the electric power transmission system for which the Reliability Coordinator is responsible. Such decisions or actions shall not favour one System User over another; the same applies to all communications which Staff, in the course of performing their duties, are required to have with other units of the Transmission Provider and Affiliates of the Transmission Provider.

### **Emergency Actions**

- 4.4 Notwithstanding any other provision of this Code of Conduct, in emergency circumstances likely to jeopardize the reliability of operation of the system for which the Reliability Coordinator is responsible, Staff are authorized to take any steps they consider necessary to maintain the reliability of the electric power transmission system for which the Reliability Coordinator is responsible.

### **Other Codes of Conduct**

- 4.5 Staff are also subject to the codes of conduct of the Transmission Provider and the Company.

## **Employee Conduct**

- 4.6** Staff shall in no circumstances allow an employee of an Affiliate of the Transmission Provider or an employee of another unit of the Transmission Provider involved in activities that relate to the marketing of transmission service or an employee of another System User:
- a. to participate directly in the operations of the Reliability Coordinator or assume transmission system reliability duties; or
  - b. to have access to the System Control Centre or a backup centre used for transmission operations or for transmission system reliability functions that differs in any way from the access given to other System Users.
- 4.7** Staff shall not disclose to an employee of a System User, to an employee of another unit of the Transmission Provider or to an employee of an Affiliate of the Transmission Provider any information conferring Preferential Treatment.
- 4.8** Should Staff disclose information not posted on the Reliability Coordinator's Web site to an employee of a System User, an employee of another unit of the Transmission Provider or an employee of an Affiliate of the Transmission Provider in a manner that confers Preferential Treatment, the Reliability Coordinator shall immediately post such information on its Web site.
- 4.9** Staff shall always act in the fundamental interests of the Reliability Coordinator's role and functions and shall avoid any situation that compromises its primary obligation of loyalty thereto.

## **Training and Information**

- 4.10** The Reliability Coordinator shall provide Staff with information sessions and material so that the individuals concerned are aware at all times of the rules contained in the Code of Conduct and updates thereto.

**4.11** The Reliability Coordinator shall make the Code of Conduct and updates thereto available to other units of the Transmission Provider, Affiliates of the Transmission Provider and System Users with which it does business.

## **5. RESPONSIBILITY FOR APPLICATION OF THE CODE OF CONDUCT**

**5.1** The Director is responsible for the application of the rules set out in this Code of Conduct and shall ensure compliance therewith. To this end, he or she shall establish internal management rules relating to the application and enforcement of the Code of Conduct. Managers concerned shall ensure that the rules of this Code of Conduct are applied and shall report to the Director annually and on request.

**5.2** The Director is responsible for organizing and overseeing processes for providing information and ongoing training to Staff. The Director is also responsible, when required, for informing other units of the Transmission Provider, Affiliates of the Transmission Provider and other System Users of the terms and guidelines for the application of this Code of Conduct.

**5.3** The Director is assigned to receive any reporting of a deviation from this Code of Conduct. He or she shall deal with such reporting in accordance with Section 6 of this Code of Conduct.

**5.4** The Director shall submit annually to the President of the Transmission Provider a report on the application of the Code of Conduct, accompanied by a certificate of compliance from the Controller of the Transmission Provider.

The annual report on the application of the Code of Conduct shall be submitted to the Régie and posted on the Reliability Coordinator's Web site.

**5.5** The Director shall, within twenty-four (24) hours, send to the Régie a report regarding any deviation from this Code of Conduct. He or she shall also post such information on the Reliability Coordinator's Web site within the same time limit.

## **6. REPORTING OF DEVIATIONS FROM THE CODE OF CONDUCT**

**6.1** Anyone having knowledge of an event or situation in which a member of Staff acted in a manner contrary to this Code of Conduct must report it to the Director within five (5) business days of discovery thereof. The Director shall promptly investigate any matter reported in good faith, and shall do in a fair, impartial and confidential manner.

**6.2** Further to an investigation made pursuant to Section 6.1 of this Code of Conduct, the Director shall issue any decision or take any corrective action that he or she considers appropriate, including disciplinary measures.

**6.3** Reporting may be done anonymously or not, and anyone who reports in good faith a situation that is contrary to this Code of Conduct will not be the subject of retaliation or of administrative or disciplinary measures.

## **7. DEVIATION FROM THE CODE OF CONDUCT**

**7.1** Any member of Staff who contravenes this Code of Conduct may be subject to disciplinary measures, as the Director considers appropriate after investigating the matter.

## **8. PUBLICATION**

The Code of Conduct shall be posted permanently on:

- the intranet site of the Direction of the Transmission Provider designated by the Régie de l'énergie as the Reliability Coordinator;
- the Reliability Coordinator's Web site;
- OASIS via a link to the Reliability Coordinator's Web site.

A copy of the Code of Conduct shall be given to Staff.

## **9. COMING INTO FORCE**

This Code of Conduct came into force on January 14, 2008, and was subsequently modified by Decisions D-2010-126 and D-2011-132 issued by the Régie de l'énergie on September 21, 2010 and on August 31, 2011.

## **SCHEDULE 1: AFFILIATES OF THE TRANSMISSION PROVIDER**

The following entities are considered Affiliates of the Transmission Provider for the purpose of applying this Code of Conduct:

- Other Hydro-Québec divisions;
- Organizational units carrying out Hydro-Québec corporate activities;
- Persons within the Transmission Provider carrying out work not regulated by the Act;
- First-tier Hydro-Québec subsidiaries;
- Second-tier Hydro-Québec subsidiaries and their subsidiaries;
- Limited partnerships and joint ventures under the effective control of Hydro-Québec.