

**APPENDIX E**

**ORDER NO. 889  
STANDARDS OF CONDUCT  
COMPLIANCE PROGRAM**

## IMMEDIATE COMPLIANCE PROCEDURES

- A. Circulation of bulletin on off-OASIS communications. Idaho Power Company (AIPC@) immediately will circulate to (i) all merchant personnel (including those employed by affiliated marketing companies), (ii) personnel engaged in transmission system operations, system reliability functions, or transmission service request processing, and (iii) any Ashared support@personnel a bulletin instructing such personnel that:
1. the FERC Order No. 889 Standards of Conduct and the IPC Standards of Conduct Procedure on file with FERC forbid, except in certain very limited emergency situations, employees engaged in transmission system operations, system reliability functions, or transmission service request processing from providing any transmission information to merchant personnel through off-OASIS communications;
  2. merchant function employees will not have access to, or attempt to elicit through off-OASIS communications, any off-OASIS transmission information (including information relating to pending transmission requests) from transmission function employees; and
  3. shared support employees must comply with a strict A-no-conduit@ rule prohibiting them from providing or otherwise making available any transmission information to merchant function personnel (including those employed by affiliated marketing companies).
- B. Inspection of computer firewalls. IPC=s information technology specialists will review all applicable hardware and software to ensure that the appropriate Afirewalls@are in place and function such that:
1. the Energy Management System information available to merchant employees and management (including those employed by affiliated marketing companies) does not provide access to transmission function data including restricted data that, under the Standards of Conduct procedures on file with FERC, are limited strictly to transmission operations and power delivery personnel,
  2. the power delivery function=s Accounting, Contracts, and Energy Schedules (AACES@) is installed only on the PCs of power delivery personnel and is password protected such that the information is not made available to merchant function personnel, and

3. all other computer applications that may provide access to transmission information cannot be accessed by merchant function personnel in accordance with the Standards of Conduct procedures on file with FERC.
- C. Restriction of access to power delivery areas at IPC headquarters. In compliance with the Standards of Conduct procedures, IPC will review facilities and procedures to ensure that (i) during normal business hours, no marketing personnel will have unescorted access to the power delivery areas of the 4<sup>th</sup> and 8<sup>th</sup> floors of the IPC corporate headquarters facility, and (ii) during non-business hours, the access cards will not enable marketing personnel to have access to the 8th floor or to the power delivery area of the 4<sup>th</sup> floor.
  - D. Review and update of organization chart. IPC will review, and update to the extent necessary, the organizational chart posted pursuant to the Standards of Conduct procedures to ensure that they accurately reflect the current (i) organizational structure, (ii) supervisory personnel and reporting line positions, and (iii) job descriptions. IPC will review all OASIS postings to ensure that they accurately reflect the names and job descriptions of any marketing personnel who may have transferred to or from the transmission and/or power delivery functions.
  - E. Review of compliance certificates. In connection with the organizational review, IPC will ensure that the IPC Standards of Conduct Procedure has been provided to, and compliance certificates have been executed by, all current Power Delivery Personnel, Marketing Personnel, and Generation Dispatch Personnel.
  - F. Immediate training. Within 30 days of the effective date of this compliance program, IPC will conduct a comprehensive training session for (i) all merchant personnel (including those employed by affiliated marketing companies), (ii) all personnel engaged in transmission system operations, system reliability functions, or transmission service request processing, and (iii) specifically identified shared support personnel that will focus on the FERC Standards of Conduct, the IPC implementation procedures on file with FERC, and this compliance program. This training session will be coordinated by the compliance officer, conducted by outside counsel, and include a presentation by at least one senior executive discussing IPC's commitment to full compliance.

## II. ONGOING COMPLIANCE PROCEDURES

- A. Commitment to compliance. Through implementation of this compliance program and the procedures identified herein, IPC management commits to reinforce to all employees the importance of full and unequivocal compliance with the FERC Standards of Conduct, the IPC implementation procedures on file with FERC, and this compliance program.
  
- B. Compliance officer. IPC will designate a compliance officer who will be responsible for:
  - 1. establishing training programs for existing and new employees, and ensuring that all employees shall have received adequate training and executed compliance certificates,
  - 2. addressing internal and external compliance issues and coordinating with counsel where necessary,
  - 3. overseeing all required OASIS compliance postings, including postings identifying (i) changes to the organizational chart, (ii) transfers of marketing personnel to and from the power delivery function, and (iii) communication of any transmission information to merchant personnel (including those employed by affiliated marketing companies),
  - 4. maintaining a compliance log reflecting internal compliance issues, and
  - 5. making recommendations regarding disciplinary actions for willful violations of the Standards of Conduct, as provided for in IPC's implementation procedures and in the executed compliance certificates.
  
- C. Ongoing training. The IPC compliance officer will arrange for periodic Standards of Conduct training programs for new and existing employees. Attendance logs will be retained to ensure that all employees have received training.

### III. GENERAL PROVISIONS

- A. This compliance program shall be effective thirty days after the approval of the Settlement Agreement, and shall remain in effect until modified or terminated by the Commission for good cause shown.
  
- B. Any general questions concerning this compliance program or any aspects of IPC's implementation of the Standards of Conduct shall be directed to the compliance officer.