

## Written Compliance Procedures – Standards of Conduct

### Alliance Pipeline L.P.

#### Introduction

On October 16, 2008, the Federal Energy Regulatory Commission’s (“Commission”) issued Order No. 717 adopting new Standards of Conduct rules that apply uniformly to interstate natural gas pipelines and electric utilities (“Transmission Providers”) and cover their relationship with their affiliates engaged in Marketing Functions that also conduct transmission transactions with them. To ensure that Transmission Function Employees of a Transmission Provider do not provide preferential treatment to its Marketing Function Employees or Marketing Function Employees of its affiliates, the Standards of Conduct require Transmission Function Employees to operate independently from Marketing Function Employees and prohibit Transmission Function Employees from providing Marketing Function Employees with access to non-public Transmission Function Information or Customer Information. Transmission Providers are required to implement, distribute and post procedures to ensure compliance with the Standards of Conduct.

These Written Compliance Procedures (“Compliance Procedures”) apply to Alliance Pipeline L.P. (“Alliance” or “Alliance Pipeline”), including any entity when providing services to Alliance Pipeline. All publicly available information required to be posted pursuant to these Compliance Procedures or the FERC regulations is posted under Alliance Pipeline L.P. (USA) 800-978-7513 at <http://ips.alliance-pipeline.com>. All customer-specific transactions for Alliance Pipeline are conducted via <https://compass.alliancepipeline.com/vpn/index/html> which is limited to authorized users.

#### Definitions

The following definitions will apply to these procedures:

*Customer Information:* Non-public information acquired from non-affiliated Transmission Customers or potential non-affiliated Transmission Customers, or developed in the course of responding to requests for transmission service.

*Lead Compliance Director:* an employee or other representative designated by Alliance to be responsible for the compliance responsibilities of Alliance.

*Marketing Function:* In the case of interstate pipelines and their affiliates, the sale for resale in interstate commerce, or the submission of offers to sell in interstate commerce, natural gas, subject to the following exclusions:

- (i) Bundled retail sales,
- (ii) Incidental purchases or sales of natural gas to operate interstate natural gas pipeline transmission facilities,
- (iii) Sales of natural gas solely from a seller’s own production,

- (iv) Sales of natural gas solely from a seller's own gathering or processing facilities, and
- (v) Sales by an intrastate natural gas pipeline, by a Hinshaw interstate pipeline exempt from the Natural Gas Act, or by a local distribution company making an on-system sale.

*Marketing Function Employee:* An (i) employee, contractor, consultant or agent of Alliance or of an affiliate of Alliance or (ii) employee, contractor, consultant or agent of Alliance that provides services to Alliance, who actively and personally engages on a day-to-day basis in Marketing Functions

*Transmission Customer:* 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.

*Transmission Function:* The planning, directing, organizing or carrying out of day-to-day transmission operations, including the granting and denying of transmission service requests.

*Transmission Function Employee:* An (i) employee, contractor, consultant or agent of Alliance or of an affiliate of Alliance or (ii) employee, contractor, consultant or agent of Alliance that provides services to Alliance who actively and personally engages on a day-to-day basis in Transmission Functions.

*Transmission Function Information:* Information related to Transmission Functions.

*Transmission Provider:* Any interstate natural gas pipeline that transports natural gas for others pursuant to subparts B or G of part 284 of the Commission Rules and Regulations. It does not include a natural gas storage provider authorized to charge market-based rates. For purposes of these Compliance Procedures, Alliance is a Transmission Provider.

*Waiver:* The determination by Alliance, if authorized by its tariff, to waive any provisions of its tariff for a given entity.

For purposes of these procedures, the term "employee" includes contractors.

A complete list of affiliates engaged in Marketing Functions can be found on Alliance's Internet website at <http://ips.alliance-pipeline.com>.

## Procedures

### 1. Training and Enforcement.

#### 1.1 Written procedures.

1.1.1 Scope. These Compliance Procedures are designed to ensure compliance with the Standards of Conduct set forth in the Commission's Order No. 717. The FERC Chief Compliance Officer (designated in Section 1.3 below) ensures that these Compliance Procedures are updated as needed, and posted on Alliance's Internet website. These Compliance Procedures do not and cannot anticipate every situation to which the Standards of Conduct would apply; when questions arise, employees should seek guidance from their supervisor(s), the FERC Chief Compliance Officer, Lead Compliance Director or the Legal Department of Alliance.

1.1.2 Parties. All references to the FERC Chief Compliance Officer in these Compliance Procedures refer to the FERC Chief Compliance Officer or his/her designee(s). FERC compliance for Alliance is carried out by Alliance, having a Lead Compliance Director, and its employees, contractors, consultants, and affiliates, as well as directors, officers, Marketing Function Employees, Transmission Function Employees and other designated employees of Alliance affiliates that conduct transmission transactions on Alliance (herein, collectively the "Responsible Parties").

1.1.3 Distribution. These Compliance Procedures will be distributed by the Responsible Parties to all Transmission Function Employees, Marketing Function Employees, officers, directors, supervisory employees and any other employees likely to become privy to non-public Transmission Function Information. The Responsible Parties will send an annual reminder notice instructing the identified employees to read the procedures. The Responsible Parties will ensure that new employees and transferred employees receive a link to, or a copy of, the Compliance Procedures promptly upon employment.

1.2 Training. As described more specifically below, employees identified in 1.1.2 above will be trained on the Standards of Conduct. Such employees will also be required to receive such training annually. The Responsible Parties will ensure that new Transmission Function Employees, Marketing Function Employees, or employees likely to become privy to non-public Transmission Function Information are trained within 30 days of their employment start date.

1.2.1 Implementation. The FERC Chief Compliance Officer will coordinate with the Responsible Parties in the implementation of the training requirements of this Compliance Plan and development of written training procedures for employees identified in 1.2 above. Training will normally be implemented through computer- or web-based training packages, but may on occasion be given via live classroom sessions or video replays. Upon completion of the training, applicable employees

will be required to acknowledge that they have received training regarding the Standards of Conduct and agree to abide by all rules, regulations, and internal policies and procedures. The Responsible Parties will maintain training and acknowledgment records electronically.

### 1.3 Responsibility for Compliance.

1.3.1 Responsibility of Employees. All Responsible Parties are responsible for compliance with the Standards of Conduct and these Compliance Procedures.

1.3.2 FERC Chief Compliance Officer. Alliance's FERC Chief Compliance Officer and associated contact information is located on Alliance's Electronic Bulletin Board under Standards of Conduct in Informational Postings. The FERC Chief Compliance Officer is responsible for overseeing implementation of these Compliance Procedures and enforcing them. The FERC Chief Compliance Officer may delegate such roles to others as appropriate. The Responsible Parties must maintain a log of compliance issues and their resolution.

1.3.3 Obligation to Report. Any Responsible Party who knows of or suspects non-compliance with or a violation of these Compliance Procedures or the Standards of Conduct is required to report such violation immediately. Such matters can be reported to an employee's supervisor, the Legal Department, or Lead Compliance Director of Alliance, or the FERC Chief Compliance Officer. Additionally, anonymous reports may be made through the anonymous reporting hotline of Alliance, such contact numbers to be provided to the Responsible Parties.

1.3.4 Prohibition Against Retaliation. Retaliation against an employee for raising concerns with management or regulatory agencies is considered harassment. Alliance will not tolerate harassment of any kind in the workplace. Alliance forbid retaliation against any employee who has brought concerns to management or to regulatory agencies such as the Commission, Equal Employment Opportunity Commission, or Occupational Safety & Health Administration or has participated in the investigation or resolution of a harassment situation.

1.3.5 Consequences for Violating Compliance Procedures. Violations of the Standards of Conduct can have serious consequences for Alliance. Therefore, employees who violate the Compliance Procedures or the Standards of Conduct may be subject to disciplinary action, up to and including discharge.

## 2. Independent Functioning of Alliance Transmission Function Employees and Marketing Function Employees.

2.1 General rule. Alliance's Transmission Function Employees must function independently of its Marketing Function Employees and the Marketing Function Employees of its affiliates as outlined below.

2.1.1 Prohibited Activities. No Marketing Function Employee may conduct transmission system operations or reliability functions for Alliance or have access

to the gas control center. Except for incidental purchases or sales of natural gas to operate interstate natural gas pipeline transmission facilities, no Transmission Function Employee of Alliance may market, sell or broker natural gas in U.S. markets. The Responsible Parties will be responsible for ensuring enforcement of these requirements.

2.1.2 Employees Not Necessarily Considered Transmission Function or Marketing Function Employees. (The following is not meant to be a hard and fast rule, rather, it is meant to be more of a general guideline. If any employee falling under one of the categories shown below has duties identified as Transmission Functions or Marketing Functions, then that employee will be classified as a Transmission Function Employee or a Marketing Function Employee, as appropriate.)

2.1.2.1 Support Employees; Field, Maintenance and Clerical Employees. Subject to the conditions stated below, support employees as well as field, maintenance and clerical employees are not considered Transmission Function Employees or Marketing Function Employees. Such employees, however, must not act as a conduit, directly or indirectly, for non-public Transmission Function Information or non-public Customer Information to a Marketing Function Employee.

a. Support Employees. Whether an employee is a “support employee” whose duties would not be considered Transmission Functions or Marketing Functions depends on that employee’s day-to-day responsibilities, and must be determined by the FERC Chief Compliance Officer. Currently, examples of employees in a support function that would not necessarily be considered Transmission Function Employees or Marketing Function Employees include employees in human resources, information technology, finance, and certain employees in accounting and risk management. Lawyers who participate in business decisions by rendering legal or regulatory advice in their traditional roles are generally support employees and would not, therefore, be considered Transmission Function Employees or Marketing Function Employees.

b. Field Employees. Field employees will not be considered Transmission Function Employees unless such employees are actively and personally involved in day-to-day planning for facility shut downs or shutting down facilities based on economic reasons. Otherwise, field employees will most likely not be considered Transmission Function Employees or Marketing Function Employees.

2.1.2.2 Risk Management. An employee of Alliance or its affiliates may perform certain risk management functions without being classified as a Transmission Function Employee or Marketing Function Employee, so

long as such employee does not actively and personally engage in day-to-day Transmission Function or Marketing Function activities. Risk management employees will not direct Transmission Function Employees' or Marketing Function Employees' responses to the risks they identify, including credit risk. Risk management employees must not serve as conduits for sharing non-public Transmission Function Information or Customer Information with a Marketing Function Employee. For example, a risk management employee cannot disclose to a Marketing Function Employee that a pipeline customer has not paid its transmission bills. Risk management functions that would not be considered Transmission Functions or Marketing Functions include, but are not limited to: the management of corporate-wide business risk exposure; evaluation of business risk exposure for third parties and on an aggregate basis; management of overall corporate investment; establishment of spending, trading, and capital authorities for business units; and approval of expansion projects.

2.1.2.3 Officers, Directors and other Supervisory Personnel. Officers, directors and other supervisory personnel of Alliance may have governance responsibilities pertaining to all such entities, but they must not actively and personally engage in day-to-day Transmission Functions which include planning, directing, organizing or carrying out day-to-day transmission operations. For example, supervisory personnel who are not involved in the negotiation of the sale of capacity on Alliance, but who simply approve the contract governing the sale, are not Transmission Function Employees. Furthermore, upper level management personnel who review contracts over a certain dollar amount pursuant to delegation of authority requirements are not converted into deal-makers themselves and are, therefore, not Transmission Function Employees.

2.1.2.4 Periodic Review. The Responsible Parties shall periodically review the job responsibilities of all employees described above to ensure that the classification of such employees is consistent with the Standards of Conduct.

2.1.3 Permitted Exception to Independent Functioning. Alliance employees may exchange with Marketing Function Employees certain non-public Transmission Function Information which is necessary to maintain or restore operations of the transmission system. In such circumstances, a contemporaneous recording of the exchange of such information must be made; the Responsible Parties must retain the recorded information for a period of five years from the date the exchange occurred. If the exchange is a result of an emergency, the contents of the exchange must be recorded and retained as soon as practical after the fact. The record may consist of hand-written or typed notes, electronic records such as e-mails and text messages, recorded telephone exchanges and the like.

2.1.4 Committees. Alliance may participate on parent company committees, or committees comprised of employees from various business units, provided the following guidelines are followed:

- ; In accordance with the no-conduit rule, if the membership of a parent company or multi-business unit committee includes Transmission Function Employees and/or Marketing Function Employees, no non-public Transmission Function Information or Customer Information will be disclosed to that committee.
- ; Committee members will not act as a conduit, directly or indirectly, for providing non-public Transmission Function Information or Customer Information to Marketing Function Employees.
- ; A parent company or multi-business unit committee will not engage in Transmission Function activities for Alliance or Marketing Function activities for affiliates of Alliance.

3. Affiliates Engaged in Marketing Functions.

3.1 Names and Addresses. The names and addresses of all affiliates of Alliance that employ or retain Marketing Function Employees will be posted on Alliance's Internet website at <http://ips.alliance-pipeline.com>. The Responsible Parties will implement a procedure for updating the list of such affiliates and updating the Internet website posting within seven (7) business days of the effective date of any changes. Additionally, the Responsible Parties will send a periodic notification to all Transmission Function Employees informing them of updates.

3.2 Mergers; Acquisitions. The Responsible Parties will notify the FERC Chief Compliance Officer of any proposed merger between an Alliance affiliate and a third party that may employ or retain Marketing Function Employees. The FERC Chief Compliance Officer will:

- a. Ensure that notice of the merger is posted on the Alliance Internet website as required by the Standards of Conduct within seven (7) business days of public announcement of any such merger; and
- b. For purposes of compliance with these Compliance Procedures and the Standards of Conduct, Alliance will treat all merger partners as if they were already affiliated with Alliance upon announcement of the merger, with the result that any entity that would be an affiliate engaged in Marketing Function activities after the merger shall be treated as if it is an affiliate engaged in Marketing Function activities upon announcement of the merger. Should such affiliates conduct transmission transactions on Alliance at the time of the announcement of the merger, then Transmission Function Employees of Alliance must function independently of the Marketing Function Employees of such potential affiliates.

3.3 Shared Facilities. Alliance may share facilities with affiliates engaged in Marketing Functions provided that written procedures are implemented to ensure that work areas are not shared between Marketing Function Employees and Transmission Function Employees and that non-public Transmission Function Information and Customer Information is not improperly shared. Alliance will post on its Internet website a list of such shared facilities which will include the types of facilities shared and the addresses of such facilities.

4. Employee Information.

4.1 Job Titles and Descriptions. Alliance must post on its Internet website job titles and descriptions of its Transmission Function Employees. The Responsible Parties have established written procedures to ensure that job titles and descriptions of its Transmission Function Employees are updated within seven (7) business days of the effective date of any changes. The Responsible Parties will work in cooperation with the FERC Chief Compliance Officer to enforce such procedures, and to identify on a regular basis any changes in Transmission Function Employee job titles or job descriptions.

4.2 Transfers of Employees. Transfers of Transmission Function Employees between Alliance and affiliates engaged in Marketing Functions and transfers of Marketing Function Employees from affiliates engaged in Marketing Functions to Alliance are permitted subject to the conditions below.

4.2.1 Conditions on Transfers.

4.2.1.1 Notification. Transferring employees between Alliance and affiliates of Alliance engaged in Marketing Functions and conducting transmission transactions on Alliance are treated as terminations/new hires rather than transferring employees. The Responsible Parties shall determine and post such employee as a transferring Transmission Function Employee on the Alliance Internet website.

4.2.1.2 Posting. The Responsible Parties shall always have designated an employee to be responsible for these Compliance Procedures as they pertain to transfers of Transmission Function Employees. Such designated employee is responsible for ensuring the required posting is made within seven (“7”) business days of the effective date of the transfer. The posting must contain the following information:

- a. The name of the transferring employee;
- b. The respective titles while performing the functions of a Transmission Function Employee and Marketing Function Employee; and
- c. The effective date of the transfer.

4.2.1.3 Information Services. The Responsible Parties shall maintain written procedures for terminating the transferring Transmission Function



Employee's access to databases and applications related to Alliance as of the effective date of the transfer. Transfers of Transmission Function Employees from Alliance to a Marketing Function Employee role in an affiliate engaged in Marketing Functions are treated as terminated employees in order to ensure the termination of all authorizations. Likewise, transferring Marketing Function Employees transferring to a Transmission Function Employee role in Alliance from an affiliate engaged in Marketing Functions are treated as new hires and granted access only to databases and applications required in order to carry out their job duties.

4.2.1.4 Support Services. The Responsible Parties shall maintain written procedures for terminating the transferring Transmission Function Employee's access to Alliance's work areas. Such transferring Transmission Function Employees will no longer have access to the Alliance's work areas and will be treated as visitors should there be any need for future access.

4.2.1.5 Information. The transferring Transmission Function Employee may not bring any documents (paper or electronic) containing non-public Transmission Function Information, Customer Information, or strategic or market information of any kind to the new position. All such information must be left in the custody of the transferring employee's supervisor. If necessary, the FERC Chief Compliance Officer may recommend that the transferring Transmission Function Employee's duties at his or her new position be restricted in order to avoid the potential for violating the Standards of Conduct.

4.2.1.6 Training. The Responsible Parties will ensure that any transferring employee from an affiliate engaged in Marketing Functions completes the Standards of Conduct training course within thirty (30) days of the effective date of the transfer.

4.2.1.7 No Conduit Rule. Under no circumstances may the transferring employee be a conduit of non-public Transmission Function Information or Customer Information about Alliance to a Marketing Function Employee. See No-Conduit Rule at Section 8 below.

4.2.2 Multiple Transfers. Transmission Function Employee transfers from Alliance to an affiliate engaged in Marketing Functions and a subsequent transfer back to Alliance, or Marketing Function Employee transfers from an affiliate engaged in Marketing Functions to Alliance and a subsequent transfer back to an affiliate engaged in Marketing Functions, require prior approval by the FERC Chief Compliance Officer if the subsequent transfer occurs within one (1) year of the previous transfer and the employee is a Transmission Function Employee or a Marketing Function Employee at either or both companies. The FERC Chief Compliance Officer will not approve any transfers that could result in the improper

sharing of such employee between an affiliate engaged in Marketing Functions and Alliance.

5. Restrictions on Work Area Access. All employees, agents and consultants of Alliance must comply with procedures developed and implemented by employees in charge of building security (in consultation with the Responsible Parties), regarding restrictions on access to work areas.
6. Separate books and records. The Responsible Parties shall implement written procedures to ensure that Alliance's books and records are kept separately from the books and records of all affiliates engaged in Marketing Functions.
7. Information Access and Prohibited Disclosure.
  - 7.1 Information Sharing Strictly Prohibited.

7.1.1 Non-Public Transmission Function Information and Customer Information. Access by any Marketing Function Employee to non-public Alliance Transmission Function Information or Customer Information, or disclosure of such non-public information by any Alliance employee to a Marketing Function Employee, is strictly prohibited. Some exceptions apply, as described below. The Responsible Parties shall have guidelines for employees who regularly communicate with customers about their specific transmission transactions or with Marketing Function Employees who conduct transmission transactions on Alliance about day-to-day Transmission Functions specific to the services provided, including guidelines on the specific types of communications that are permissible under the Standards of Conduct.

7.1.1.1 Exception (Customer Information). Non-public Customer Information may be disclosed to a Marketing Function Employee if the customer or potential customer consents in writing to such disclosure. This exception includes the disclosure of non-public Customer Information to a Marketing Function Employee pursuant to an agency agreement in which the customer designates the affiliate of the Marketing Function Employee as its agent for transactions performed on Alliance. The Marketing Function Employee who obtains such written consent from the customer must communicate the consent to the designated Responsible Party responsible for posting, and such employee posts on Alliance's Internet website a notice of the customer's consent along with a statement that no preferences, either operational or rate-related, were provided to the customer in exchange for its consent to disclose such information.

7.1.1.2 Exception (Operating Information). Alliance Transmission Function Employees may share non-public Transmission Function Information with Marketing Function Employees necessary to maintain or restore the transmission system's operations. Operating information may include: confirmations, nominations and schedules with upstream producers

and gathering facilities, operational data relating to interconnection points, and information relating to maintenance of interconnected facilities. Any such exchanges between Transmission Function Employees and Marketing Function Employees (unless such exchanges are pursuant to the exception in 7.1.1.3 below) must be recorded contemporaneously at the time of the exchange unless the exchange is a result of an emergency. In the event of an emergency, the recording of the exchange of information should be done as soon as possible after the fact. The record may consist of hand-written or typed notes, electronic records such as e-mails and text messages, recorded telephone exchanges, and the like and must be retained for a period of five years from the date of the exchange. Any questions regarding whether a communication is permissible must be discussed with the FERC Chief Compliance Officer prior to such communication.

7.1.1.3 Exception (Transaction Specific Information). A Transmission Function Employee of Alliance may communicate to a Marketing Function Employee information that pertains solely to a Marketing Function Employee's specific request for transmission service. This is intended to be a narrow exception. Information is not transaction-specific if it pertains to the pipeline system generally. Exchanges of information under this category do not need to be recorded.

7.1.2 Disclosure Must Be Reported and Posted. Any disclosure of non-public Transmission Function Information or Customer Information, or access to such information, in violation of 7.1.1, even if inadvertent, must immediately be reported pursuant to the Compliance Procedures of Alliance. The Responsible Parties must have procedures to ensure that the appropriate information regarding the disclosure is immediately posted on Alliance's Internet website in accordance with the Standards of Conduct. If non-public Transmission Function Information was disclosed, the information that was disclosed must be posted. If non-public Customer Information was disclosed, the posting must indicate that non-public Customer Information was disclosed, but the content of the information does not need to be posted.

7.1.3 Affiliate Information. It is Alliance's policy that access by any Transmission Function Employee to customer, market or other strategic information of an affiliate engaged in Marketing Functions, or disclosure of such information by a Marketing Function Employee (or any Alliance employee) to a Transmission Function Employee of Alliance is strictly prohibited. Transmission Function Employees may, however, receive from a Marketing Function Employee any transaction specific information necessary for providing service under transmission service agreements between the affiliate engaged in Marketing Functions and Alliance.

## 7.2 Information Security (General).

7.2.1 Information Services Personnel. Employees providing security, system, server, hardware, workstation and application administration related to Alliance will be trained on the Standards of Conduct and will not act as improper conduits of non-public Transmission Function Information between Alliance and its affiliates engaged in Marketing Functions.

7.2.2 Authorization. The Responsible Parties are responsible for these Compliance Procedures pertaining to authorization for access to applications, servers or data as described in this Section 7. The Responsible Parties shall ensure that:

- No improper access is granted to applications, servers or data related to Alliance;
- An employee's access to applications, servers or data is terminated promptly upon the employee's termination or transfer to a Marketing Function Employee role;
- Employees transferring into Alliance from a Marketing Function Employee role or out of Alliance into a Marketing Function Employee role of an affiliate engaged in Marketing Functions and conducting transmission transactions on Alliance are given a new Local Area Network ("LAN") ID and the old LAN ID is revoked.
- Any request for LAN IDs to the networks of both Alliance and an affiliate engaged in Marketing Functions and conducting transmission transactions on Alliance is sent to the Alliance FERC Chief Compliance Officer. LAN ID's to both networks will not be granted without approval in writing.

## 7.3 Information Security (Transmission Function Applications).

7.3.1 Definition. A "Transmission Function Application" is any application that allows access to Alliance non-public Transmission Function Information or Customer Information.

7.3.2 Marketing Function Employee Access Prohibited. No Marketing Function Employee is allowed access to any Transmission Function Application, except that a Marketing Function Employee may have access to the Alliance customer interface as described in Section 7.4 below.

7.3.3 Functions Restricted. User accounts are restricted to only those functions of the application to which the particular user is entitled.

## 7.4 Information Security (External Users, including Marketing Function Employees). Alliance applications are the only Transmission Function Applications through which

external users have access to Transmission Function Information or Customer Information. An external user has access to only the external user's own information, information of a customer for whom the external user is acting as agent or asset manager and who has consented to such disclosure as described in Section 7.1.1.1 above, and information that is publicly available to all other users. The Responsible Parties are responsible for preventing improper access to non-public Transmission Function Information or Customer Information contained in the Transmission Function Applications.

7.5 Information Security (Accounting Applications). The Responsible Parties shall ensure there are procedures in place to prevent access by Transmission Function Employees to the accounts of affiliates engaged in Marketing Functions and to prevent access by Marketing Function Employees to Alliance's accounts.

8. No Conduit Rule. Neither Alliance nor an Alliance affiliate employee, officer, director, contractor, consultant or agent may, either intentionally or inadvertently, act as a conduit or use anyone as a conduit for disclosing non-public Transmission Function Information or Customer Information from Alliance to any Marketing Function Employee of Alliance or Marketing Function Employee of an affiliate of Alliance.

9. Implementing Tariffs.

9.1 Strict Enforcement of Tariff Provisions. Alliance 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. Tariff provisions that allow for the use of discretion must be applied fairly and impartially so that all shippers are treated in a non-discriminatory manner. The Responsible Parties shall identify those tariff provisions that allow for the use of discretion.

9.2 Waiver Log. Alliance is required to maintain a written log of waivers that it grants in favor of an affiliate with respect to tariff provisions. The log must be available for Commission audit upon request. Granting of a specific waiver in favor of an affiliate and any blanket waiver that is applicable to all customers of Alliance including affiliates of Alliance must be reported pursuant to the Compliance Procedures of the Responsible Parties.

9.3 Posting Waivers. Alliance is required to post on its Internet website a notice of each waiver of a tariff provision in favor of an affiliate within one ("1") business day of the act of waiver unless such waiver was previously approved by the Commission. The waiver posting must remain on Alliance's Internet website for a period of ninety ("90") days from the date of each act of waiver and must be retained for a period of five ("5") years from the date of such act of waiver.

9.4 Processing Requests for Transmission. Alliance must process all similar requests for transmission services in the same manner and within the same period of time.

9.5 No Preference to Any Person. Alliance may not, through its tariff or otherwise, give 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).

10. Administrative Responsibilities of the FERC Chief Compliance Officer.

10.1 Record Retention. The FERC Chief Compliance Officer is the primary record keeper of information related to the Alliance's compliance with these Compliance Procedures and the Standards of Conduct. The FERC Chief Compliance Officer retains such records and information for a minimum period of five ("5") years. Examples of the types of records and information include but are not limited to:

- a. Training materials and updates and revisions thereto;
- b. List of employees trained and dates of training;
- c. Details of deviations from the Standards of Conduct;
- d. Lists of shared facilities;
- e. Lists of affiliates engaged in Marketing Functions along with updates and revisions thereto;
- f. Job titles and descriptions with revisions and updates thereto;
- g. Lists of merger partners and their affiliates engaged in Marketing Functions;
- h. Lists of Transmission Function Employee and Marketing Function Employee transfers;
- i. Data on information security along with revisions and updates thereto;
- j. List of waivers in favor of affiliates with revisions and updates thereto;
- k. Tariff waiver log; and
- l. FERC compliance log.

10.2 Primary Contact. The FERC Chief Compliance Officer is the primary contact for all non-Alliance individuals or organizations with questions or concerns regarding Alliance's compliance with the Standards of Conduct. All questions or concerns from individuals within Alliance or from individuals and organizations related to Alliance shall be directed to the Lead Compliance Director for Alliance, and such Lead Compliance Director is responsible for elevation of pertinent issues to the FERC Chief Compliance Officer.