

**PROCEDURES OF SOUTHERN INDIANA GAS AND ELECTRIC COMPANY
TO IMPLEMENT THE FEDERAL ENERGY REGULATORY COMMISSION'S
STANDARDS OF CONDUCT – ORDER No. 717
January 15, 2024**

1. Applicability

- (a) These Procedures, based on the Federal Energy Regulatory Commission's (FERC) Standards of Conduct, 18 C.F.R. Part 358, apply to Southern Indiana Gas and Electric Company d/b/a CenterPoint Energy Indiana South (SIGE) as a public utility that owns, operates, or controls facilities used for the transmission of electric energy in interstate commerce and conducts transmission transactions with an affiliate that engages in marketing functions.
- (b) These procedures apply to SIGE transmission function employees and marketing function employees, as described below.

2. General Principles

- (a) A transmission provider must treat all 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 interstate commerce, or with respect to the wholesale sale of electric energy in interstate commerce.
- (b) A transmission provider's transmission function employees must function independently from its marketing function employees, except as permitted in these Procedures.
- (c) A transmission provider and its employees, contractors, consultants, and agents are prohibited from disclosing, or using a conduit to disclose, non-public transmission function information to the transmission provider's marketing function employees.
- (d) A transmission provider must provide equal access to non-public transmission function information disclosed to marketing function employees to all its transmission customers, affiliated and non-affiliated, except as permitted by these Procedures.

3. Definitions

- (a) **Affiliate** of a specified entity means:
 - (1) Another person that controls, is controlled by or is under common control with, the specified entity. An affiliate includes a division of the

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specified entity that operates as a functional unit.

- (2) For any exempt wholesale generator (as defined under 18 C.F.R. § 366.1), affiliate shall have the meaning set forth in 18 C.F.R. § 366.1, or any successor provision.
 - (3) “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) **Internet Web site** refers to the Internet location where an interstate natural gas pipeline or a public utility posts the information, by electronic means, required under 18 C.F.R. Part 358.
- (c) **Marketing functions** means:
- (1) In the case of public utilities and their affiliates, the sale for resale in interstate commerce, or the submission of offers to sell in interstate commerce, of electric energy or capacity, demand response, virtual transactions, or financial or physical transmission rights.
- Marketing Functions **do not include**:
- (i) Bundled retail sales or
 - (ii) Sales of electric energy made by providers of last resort (POLRs) acting in their POLR capacity.
- (d) **Marketing function employee** means an employee, contractor, consultant, or agent of a transmission provider or of an affiliate of a transmission provider who actively and personally engages on a day-to-day basis in Marketing Functions.
- (e) **Open Access Same-time Information System or OASIS** refers to the Internet location where a public utility posts the information required by 18 C.F.R. Part 37, and where it may also post the information required to be posted on its Internet Web site by 18 C.F.R. Part 358.

[For purposes of these Procedures, the OASIS is the OASIS of Midwest Independent System Operator (MISO) www.oasis.oati.com/SIGE.]

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- (f) **Transmission** means electric transmission, network or point-to-point service, ancillary services or other methods of electric transmission, or the interconnection with jurisdictional transmission facilities, under 18 C.F.R. Part 35.
- (g) **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.
- (h) **Transmission functions** means the planning, directing, organizing, or carrying out of day-to-day transmission service requests.
- (i) **Transmission function employee** means an employee, contractor, consultant, or agent of a transmission provider who actively and personally engages on a day-to-day basis in transmission functions.
- (j) **Transmission function information** means information relating to Transmission Functions.
- (k) **Transmission provider** means any public utility that owns, operates, or controls facilities used for the transmission of electric energy in interstate commerce.

[SIGE is a transmission provider.]
- (l) **Transmission service** means the provision of any transmission as defined in Section 3(f) above.
- (m) **Waiver** means the determination by a transmission provider, if authorized by its tariff, to waive any provisions of its tariff for a given entity.

4. Non-discrimination requirements

- (a) A transmission provider 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.
- (b) A transmission provider must apply all tariff provisions relating to the sale or purchase of open access transmission service in a fair and impartial

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manner that treats all transmission customers in a not unduly discriminatory manner if the tariff provisions permit the use of discretion.

- (c) A transmission provider 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).
- (d) A transmission provider must process all similar requests for transmission in the same manner and within the same period of time.

5. Independent functioning rule

- (a) **General rule.** Except as permitted in 18 C.F.R. Part 358 or otherwise permitted by FERC order, a transmission provider's transmission function employees must function independently of its marketing function employees. *See Section 7(h)(1) below for an emergency exception to this rule.*
- (b) **Separation of Functions.**
 - (1) A transmission provider is prohibited from permitting its marketing function employees to:
 - (i) Conduct transmission functions; or
 - (ii) Have access to the system control center or similar facilities used for transmission operations that differs in any way from the access available to other transmission customers.
 - (2) A transmission provider is prohibited from permitting its transmission function employees to conduct marketing functions.

[SIGE Implementation Procedures:

- *TSO and WPM have separate workspaces. TSO's workspace is at the Wagner Center, 1 North Main, Evansville, IN 47711, and WPM's workspace is at 211 NW Riverside Drive, Evansville, IN 47708.*
- *TSO's workspace is protected by locks, key card access and a sign-in log for any non-key card access.*
- *WPM's personnel are not permitted to enter the TSO workspace.*
- *TSO's computers are protected by passwords and firewalls.]*

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6. No conduit rule. See Section 7(h)(1) of these Procedures for an emergency exception to this rule.

- (a) A transmission provider is prohibited from using anyone as a conduit for the disclosure of non-public transmission function information to its marketing function employees.
- (b) An employee, contractor, consultant, or agent of a transmission provider, and an employee, contractor, consultant, or agent of an affiliate of a transmission provider that is engaged in marketing functions, is prohibited from disclosing non-public transmission function information to any of the transmission provider's marketing function employees.

[SIGE Implementation Procedures:

- *The no conduit rule applies to all persons at SIGE.*
- *Computer access to non-public transmission function information is password protected, with a firewall between TSO and other SIGE corporate operations.*
- *Publicly available transmission information (such as information discussed in open Midcontinent Independent System Operator (MISO) meetings or information posted on the OASIS or Internet) is not covered by the no conduit rule. However, transmission function employees should not inform marketing function employees that transmission information will be posted or has been posted on the OASIS.*
- *Except as provided in these Procedures, there should be **no communications** (i.e., no e-mails, phone calls, joint meetings, etc.) between transmission function employees and marketing function employees concerning non-public transmission function information. However, the no conduit rule does not prohibit communications or joint meetings on non-operational matters (e.g., health care benefits) and concerning information that does not constitute non-public transmission function information.*
- *The no conduit rule also applies to customer information. Customer information is non-public information about a transmission customer's transmission service. This includes information about the transmission customer's request for service and transmission usage.]*

7. Transparency rule.

- (a) **Contemporaneous Disclosure.** See Section 7(g)(2) of these Procedures

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for an emergency exception to this rule.

- (1) If a transmission provider discloses non-public transmission function information, other than information identified in paragraphs (a)(2) and (b) of this Section 7, in a manner contrary to the requirements of Section 6 above, the transmission provider **must immediately post the information** that was disclosed on its Internet Web site.
- (2) If a transmission provider discloses, in a manner contrary to the requirements of Section 6 above, non-public transmission customer information, critical energy infrastructure information (CEII) as defined in 18 C.F.R. § 388.113(c)(1) or any successor provision, or any other information that FERC by law has determined is to be subject to limited dissemination, the transmission provider **must immediately post notice** on its Internet Web site that the information was disclosed.

[SIGE Implementation Procedures:

- *If non-public transmission customer information, critical energy infrastructure information (CEII) as defined in 18 C.F.R. § 388.113(c)(1) or any successor provision, or any other information that FERC by law has determined is to be subject to limited dissemination is disclosed, then notice posted on the Internet Web site **should not** include the confidential information. It should only identify the type of confidential information that was disclosed.*
- *Notify the Chief Ethics & Compliance Officer immediately of any prohibited disclosure using the contact information in Section 8(c)(2) below.*
- *Post notice of the prohibited disclosure to SIGE's corporate website and OASIS.*
- *The SIGE corporate website for notices is located at:
<https://midwest.centerpointenergy.com/information/rates>*
- *The OASIS for website for notices is located at
www.oasis.oati.com/SIGE*
- *All notice postings are archived for five years.]*

- (b) **Exclusion for specific transaction information.** A transmission provider's transmission function employee may discuss with its marketing function employee a specific request for transmission service submitted by the marketing function employee. The transmission provider is not required to contemporaneously disclose information otherwise covered by Section 6

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above if the information relates solely to a marketing function employee's specific request for transmission service.

- (c) ***Voluntary consent provision.*** A transmission customer may voluntarily consent, in writing, to allow the transmission provider to disclose the transmission customer's non-public information to the transmission provider's marketing function employees. If the transmission customer authorizes the transmission provider to disclose its information to marketing function employees, the transmission provider **must post notice** on its Internet Web site 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.

[SIGE Implementation Procedures:

- *The Voluntary Consents are posted on the SIGE corporate website at: <https://midwest.centerpointenergy.com/information/rates>*
- *These disclosures are also posted at: www.oasis.oati.com/SIGE.]*

- (d) ***Posting Written Procedures on the public Internet.*** The transmission provider must post on its Internet Web site current written procedures implementing the standards of conduct.

[SIGE Implementation Procedures:

- *These Procedures are posted on the SIGE corporate website at: <https://midwest.centerpointenergy.com/information/rates>*

- (e) ***Identification of affiliate information on the public Internet.***

- (1) A transmission provider must post on its Internet Web site the names and addresses of all its affiliates that employ or retain marketing function employees.
- (2) A transmission provider must post on its Internet Web site a complete list of the employee-staffed facilities shared by any of the transmission provider's transmission function employees and marketing function employees. The list must include the types of facilities shared and the addresses of the facilities.
- (3) The transmission provider must post information concerning potential merger partners as affiliates that may employ or retain

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marketing function employees, **within seven days** after the potential merger is announced.

[SIGE Implementation Procedures:

- *The Affiliate Information is posted on the SIGE corporate website at: <https://midwest.centerpointenergy.com/information/rates>*
- *These disclosures are also posted on: www.oasis.oati.com/SIGE.]*

(f) **Identification of employee information on the public Internet.**

- (1) A transmission provider must post on its Internet Web site the job titles and job descriptions of its transmission function employees.
- (2) A transmission provider must post a notice on its Internet Web site 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 Web site for 90 days**. No such job transfer may be used as a means to circumvent any provision of 18 C.F.R. Part 358. The information to be posted must include:
 - (i) The name of the transferring employee,
 - (ii) The respective titles held while performing each function (i.e., as a transmission function employee and as a marketing function employee), and
 - (iii) The effective date of the transfer.

[SIGE Implementation Procedures:

- *The Employee Information is posted on the SIGE corporate website at: <https://midwest.centerpointenergy.com/information/rates>*
- *These disclosures are also posted at: www.oasis.oati.com/SIGE.*
- *Any transfers that are covered by this Section of the Procedures must be reported to the Chief Ethics & Compliance Officer using the contact information in Section 8(c)(2) below **not less than two business days prior** to the effective date of the transfer to allow for communication and posting on the Internet Web site prior to the effective date of the transfer.]*

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(g) ***Timing and general requirements of postings on the public Internet.***

- (1) A transmission provider must update on its Internet Web site the information required by 18 C.F.R. Part 358 **within seven business days** of any change and post the date on which the information was updated. A public utility may also post the information required to be posted 18 C.F.R. Part 358 on its OASIS but is not required to do so.
- (2) In the event of an emergency, such as an earthquake, flood, fire, or hurricane, severely disrupts a transmission provider's normal business operations, the posting requirements for 18 C.F.R. Part 358 may be suspended by the transmission provider. If the disruption lasts longer than one month, the transmission provider must so notify FERC and may seek a further exemption from the posting requirements.
- (3) All Internet Web site postings required by 18 C.F.R. Part 358 must be sufficiently prominent as to be readily accessible.

[SIGE Implementation Procedures:

- *All Standards of Conduct postings required by Part 358 and these Procedures are posted on the SIGE corporate website at <https://midwest.centerpointenergy.com/information/rates>*
- *These disclosures are also posted at: www.oasis.oati.com/SIGE*
- *Information to be posted on the MISO OASIS is to be communicated to the Chief Ethics & Compliance Officer immediately using the contact information in Section 8(c)(2) below, and thereafter communicated to the MISO OASIS for posting within the deadlines set out above.*
- *All postings are archived for five years.]*

(h) ***Exclusion for and recordation of certain information exchanges.***

- (1) Notwithstanding the requirements of Sections 5(a) and 6 above, a transmission provider's transmission function employees and marketing function employees may exchange certain non-public transmission function information, as delineated in Section 7(h)(2) below, in which case the Transmission Provider **must make and retain a contemporaneous record of all such exchanges** except in emergency circumstances, in which case a record must be made

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of the exchange as soon as practicable after the fact. The transmission provider shall make the record available to FERC upon request. 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.**

- (2) The non-public information subject to the exclusion in Section (h)(1) above is as follows:
- (i) Information pertaining to compliance with Reliability Standards approved by FERC, 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.

[SIGE Implementation Procedures:

- *This exception includes, among other subjects:*
 - *Meeting to prepare for NERC and RF reliability audits;*
 - *Aggregate tie line data (not customer-specific);*
 - *Voltage levels; and*
 - *Redispatch to avoid transmission overloads.*
- *In addition to the requirements listed in Section 7(h)(1), all meetings and discussions related to this exception must comply with SIGE's Joint Meeting Protocol.]*

- (g) **Posting of waivers.** A transmission provider must post on its Internet Web site notice of each waiver of a tariff provision that it grants in favor of an affiliate unless such waiver has been approved by FERC. The posting must be made **within one business day** of the act of a waiver. The transmission provider must also maintain a log of the acts of waiver and must make it available to FERC upon request. The records must be kept **for a period of five years** from the date of each act of waiver.

[SIGE Implementation Procedures:

- *These postings are on the SIGE corporate website at: <https://midwest.centerpointenergy.com/information/rates>*
- *The disclosures are also posted at: www.oasis.oati.com/SIGE.*
- *Information to be posted on the MISO OASIS is to be communicated to the*

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Chief Ethics & Compliance Officer immediately using the contact information in Section 8(c)(2) below, and thereafter communicated to the MISO OASIS for posting within the deadlines set out above.

- *All postings are archived for five years.]*

8. Implementation requirements.

(a) ***Effective date.*** A transmission provider must be in full compliance with the Standards of Conduct on the date it commences transmission transactions with an affiliate that engages in marketing functions.

(b) ***Compliance measures and written procedures.***

(1) A transmission provider must implement measures to ensure that the requirements of Sections 5 (Independent functioning rule) and 6 (No conduit rule) are observed by its employees and by the employees of its affiliates.

(2) A transmission provider must distribute the written procedures referred to in 18 C.F.R. § 358.7(d) to all its transmission function employees, marketing function employees, officers, directors, supervisory employees, and any other employees likely to become privy to transmission function information.

[SIGE Implementation Procedures:

- *These Procedures are provided to all SIGE transmission function employees, marketing function employees, officers, directors, supervisory employees, and any other employees likely to become privy to transmission function information at least once per calendar year.*
- *These Procedures are also posted publicly at: <https://midwest.centerpointenergy.com/information/rates>]*

(c) ***Training and compliance personnel.***

(1) A transmission provider must provide annual training on the FERC Standards of Conduct to all the employees listed in Section 8(b)(2) above. The transmission provider must provide training on the FERC Standards of Conduct to new employees in the categories listed in Section 8(b)(2) above, **within the first 30 days of their employment.** The transmission provider must require each

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employee who has taken the training to certify electronically or in writing that s/he has completed the training.

[SIGE Implementation Procedures

- *All current SIGE employees listed in Section 8(b)(2) above must complete annual training in the FERC Standards of Conduct and these Procedures and must certify that they have completed the training.*
- *All new employees in the categories listed in Section (8)(b)(2), whether hired into the company or transferred from within the company, must complete training in the FERC Standards of Conduct and these Procedures and must certify that they have completed the training within the first 30 days of their employment or transfer unless the employee has already completed his/her annual training.]*

- (2) A transmission provider must designate a chief compliance officer who will be responsible for FERC Standards of Conduct compliance. The transmission provider must post the name of the chief compliance officer and provide his or her contact information on its Internet Web site.

[SIGE Implementation Procedures:

- *The Chief Compliance Officer for SIGE is:
Shane Kimzey, Senior Vice President, Deputy General Counsel,
Chief Ethics & Compliance Officer
CNP Tower, Houston, TX, 46th Floor
Shane.Kimzey@CenterPointEnergy.com
(713) 207-7591 (office)
(713) 825-2783 (cell)*

If Mr. Kimzey cannot be reached, contact:

*John Price, Vice President, Associate General Counsel,
Deputy Ethics & Compliance Officer
CNP Tower, Houston, TX, 46th Floor
John.Price@CenterPointEnergy.com
(713) 207-7786 (office)
(904) 294-1973 (cell)*

- *The Chief Compliance Officer, in coordination with the Electric Reliability Compliance Department, is responsible for the following, which is a non-exhaustive list:*

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- *Ensuring the timely posting of notices on the Internet Web site, as required by these Procedures.*
 - *Updating these Procedures as necessary to maintain compliance with the FERC Standards of Conduct;*
 - *Overseeing or conducting FERC Standards of Conduct training and maintaining signed certificates of training for all persons who have received such training;*
 - *Distributing the FERC Standards of Conduct and these Procedures to employees in compliance with Section 8(b)(2) above.*
 - *Serving as a point of contact for questions or concerns relating to compliance with the FERC Standards of Conduct and these Procedures.*
 - *Ensuring compliance with the FERC Standards of Conduct and these Procedures through periodic audits and reviews of compliance and, where necessary, taking action to ensure compliance;*
 - *Retaining for five years records of evaluations and audits of FERC Standards of Conduct compliance and actions taken to ensure compliance or correct instances of non-compliance; and*
 - *Receiving all reports of non-compliance with the FERC Standards of Conduct or these Procedures and taking necessary corrective actions, including, where necessary, the posting of information on the OASIS and making reports to FERC.]*
- (d) Books and Records. A transmission provider must maintain its books of account and records (as prescribed under 18 C.F.R. Parts 101, 125, 201, and 225) separately from those of its affiliates that employ or retain marketing function employees, and these must be available for FERC inspections.