



Policy Owner:	EVP General Counsel & Corporate Secretary
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Approved By:	Policy & Ethics Committee

## **RELIABILITY STANDARDS POLICY**

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### **PURPOSE**

American Transmission Company LLC ('ATC' or the 'Company') is committed to be compliant with all Federal Energy Regulatory Commission ('FERC') approved North American Electric Reliability Corporation ('NERC') Reliability Standards. This policy is intended to assure that ATC fulfills its regulatory obligations as defined in the NERC Reliability Standards, NERC Rules of Procedures, and the Compliance Monitoring and Enforcement Programs administered by NERC and the Regional Entities. ATC fosters and sustains a culture of compliance that strives to minimize the potential for violations of applicable NERC Reliability Standard requirements and which supports safe, secure, and reliable operations of the Bulk Electric System.

### **SCOPE**

The Reliability Standards apply to all owners, operators, and users of the Bulk Electric System, which is inclusive of ATC. This policy applies to all ATC employees, contingent workers, and suppliers with responsibility to assure the safe, secure, and reliable operations of ATC's Bulk Electric System assets.

### **ATC COMMITMENT**

This policy defines three broad commitments to compliance and reliable operations.

- It is the policy of ATC to be in full compliance with all Reliability Standards that have been approved by North American Electric Reliability Corporation (NERC) and made mandatory by Federal Energy Regulatory Commission (FERC) approval.
- It is the policy of ATC that any non-compliance with NERC Reliability Standards be self-identified, assessed and corrected to preclude recurrence and to continuously improve ATC's safe, secure and reliable operation of the Bulk Electric System.
- It is the policy of ATC that all employees, contingent workers, and suppliers have the obligation to report any potential non-compliant condition to their supervisor, ATC's Compliance and Risk Management department, or to a Company Officer so that the issue may be evaluated and appropriately reported to ATC's regulators.

## **RESPONSIBILITIES**

All employees, contingent workers, and suppliers are responsible for:

- Understanding and adhering to the provisions defined in this policy
- Performing their job responsibilities in accordance with the NERC Reliability Standards
- Promptly reporting any suspected potential non-compliance with the NERC Reliability Standards, per ATC's [Open Door Policy](#)
- Developing and executing mitigation plans, as necessary

Managers and subject matter experts who have been assigned accountability for NERC Reliability Standards are responsible for formulating and executing programs, procedures, and controls which assure compliance.

ATC's senior management, as defined by the [charter](#) of the Reliability Standards Compliance (RSC) Program Sponsors group, is responsible for:

- Fully supporting ATC's compliance program activities and communicating its commitment to compliance to employees
- Promoting a culture of compliance
- Providing adequate funds and resources for compliance-related activities and programs
- Actively encouraging employees to continuously improve compliance program activities which contribute to safe, secure, and reliable operations

ATC's executive leadership, as defined by the [charter](#) of the Reliability Compliance Executive Committee (RCEC), is responsible for providing executive oversight and strategy direction for ATC's compliance program activities.

ATC's Compliance and Risk Management department is responsible for:

- Administering corporate programs which support compliance with the NERC Reliability Standards
- Performing or facilitating independent reviews of compliance program activities
- Self-reporting any identified potential non-compliance with the NERC Reliability Standards to ATC's regulators
- Acting as ATC's primary interface with ATC's regulators
- Managing and influencing ATC's regulatory environment

## **REPORTING**

It is the responsibility of all ATC employees to report any suspected violations of this policy, in accordance with ATC's [Open Door Policy](#).

## **EXCEPTIONS/VIOLATIONS**

Exceptions to this policy require the approval of the Policy Owner listed above.

Employees and contingent workers who violate this policy are subject to disciplinary action, up to and including termination.

## **REFERENCES**

Program documents and governance committee charters are incorporated via reference and can be found on PowerLine at Enterprise > ATC Standards Website > [Reliability Standards Compliance](#).