



## POLICY AND PROCEDURE

**Policy Owner: Director of Internal Audit & Compliance**  
**Effective Date: August 15, 2011**

**SUBJECT: Compliance Policy on Reliability Standards**

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### **I. Policy**

It is the policy of ATC to be in full compliance with all Reliability Standards<sup>1</sup> that have been approved by North American Electric Reliability Corporation (NERC) and made mandatory by Federal Energy Regulatory Commission (FERC) approval.

ATC will comply with all Regional Reliability Standards (Midwest Reliability Organization and ReliabilityFirst Corporation<sup>2</sup>) that have been approved by the Board of Directors of the Regional Entities.

It is the obligation of all ATC employees, vendors, and contractors to self-identify and self-report any discovered potential non-compliant conditions to their supervisor, the Office of Compliance, or to a Company Officer.

### **II. Procedure**

**Applicability:** All ATC employees, vendors, and contractors.

**Resource:** The Office of Compliance “Reliability Standards Compliance Program” and supporting procedures located on Powerline.

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<sup>1</sup> The Energy Policy Act of 2005 (EPAct 2005) gave FERC significant new authority to ensure reliable operation of the bulk-power system and replaced voluntary compliance with reliability requirements with mandatory and enforceable reliability standards (Reliability Standards). In accordance with EPAct 2005, FERC certified the North American Electric Reliability Corporation (NERC) as the Electric Reliability Organization (ERO) charged with overseeing the reliability of the interconnected bulk-power system, subject to FERC’s ultimate oversight. NERC will develop and enforce mandatory Reliability Standards, which will apply to all users, owners, and operators of the bulk-power system. FERC may impose civil penalties against those entities that have engaged in acts or practices that constitute violations of Reliability Standards.

<sup>2</sup> There are eight Regional Entities. The Midwest Reliability Organization (MRO) and ReliabilityFirst Corporation (RFC) Regional Entities have compliance monitoring and enforcement responsibilities for ATC.

### **III. Exclusions**

There are no exclusions to this policy.

### **IV. Exceptions/Revisions**

There are no exceptions to this policy. Revisions to the policy require approval by the Director of Internal Audit and Compliance.