



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, contractors, and suppliers with responsibility to assure the safe, secure, and reliable operations of ATC's Bulk Electric System assets.

DEFINITIONS

Refer to the ATC Standards Website for authoritative internal definitions:

RSCINT-TERMS

CIPINT-TERMS

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 NERC and made mandatory by FERC approval.
- It is the policy of ATC that any self-identified non-compliance with NERC Reliability Standards be assessed and corrected to minimize the risk of 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, contractors, and suppliers have an obligation to report any potential non-compliant condition so that the issue may be evaluated and appropriately reported to ATC's regulators.

RESPONSIBILITIES

ALL EMPLOYEES, CONTRACTORS, AND SUPPLIERS ARE RESPONSIBLE FOR:

- Performing their job responsibilities in accordance with the NERC Reliability Standards
- Promptly reporting any suspected potential non-compliance with the NERC Reliability Standards to the Reliability Standards Compliance (RSC) team or via the avenues outlined in the Open Door Policy
- Collaborating with the RSC team to assess and correct any self-identified non-compliance with NERC Reliability Standards to minimize the risk of recurrence.
- Developing and executing mitigation plans, as necessary

ATC'S MANAGERS AND SUBJECT MATTER EXPERTS ARE RESPONSIBLE FOR:

- Formulating and executing programs, procedures, and internal controls to promote compliance for assigned accountability of NERC Reliability Standards.

ATC'S FUNCTIONAL MANAGEMENT IS RESPONSIBLE FOR:

- Fostering a culture of compliance and continuous improvement.
- Supervising and reviewing effective completion of compliance work performed by their Subject Matter Experts (SMEs).
- Serving ATC as defined by the charter of the Security, Governance, Risk and Compliance Managing Committee.

ATC'S SENIOR LEADERSHIP IS RESPONSIBLE FOR:

- Providing executive oversight and strategy direction for ATC's compliance program activities.
- Directing functional management to ensure the effective completion of compliance work performed by their SMEs.
- Serving ATC as defined by the charter of the Security, Governance, Risk and Compliance Steering Committee.

ATC'S RSC TEAM IS RESPONSIBLE FOR:

- Administering corporate programs that support compliance with the NERC Reliability Standards.
- Performing or facilitating independent reviews of compliance program activities.
- Collaborating with employees to assess any potential non-compliance with NERC Reliability Standards.
- Self-reporting any identified potential non-compliance with the NERC Reliability Standards to ATC's regulators.
- Supporting employees in the development of mitigations plans.
- 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. Contingent workers and contractors should report any suspected violations in accordance with ATC's [Supplier Code of Conduct](#).

NON-RETALIATION

ATC strictly prohibits retaliation in any way against anyone who has honestly made a report or complaint, expressed a concern about inappropriate conduct or cooperated in an investigation. Disciplining or otherwise disadvantaging an individual because they in good faith reported a potential concern or cooperated in an investigation is, itself, a violation of ATC policy.

EXCEPTIONS/VIOLATIONS

Exceptions to this policy require the approval of ATC. Employees who violate this policy are subject to disciplinary action, up to and including termination.