


ITC OPERATING COMPANIES WRITTEN PROCEDURES FOR FERC'S STANDARDS OF CONDUCT

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	Approver:	Christine Mason Soneral, SVP, General Counsel and Chief Compliance Officer	

* References to ITC are references to ITC Holdings Corp. together with all of its subsidiaries, unless otherwise noted.

1. INTRODUCTION

- 1.1. This procedure replaces LGL-0006 Rev010, dated 10/16/2020 and titled "ITC Operating Companies Written Procedures for FERC's Standards of Conduct."
- 1.2. The purpose of this procedure is to ensure ITC's compliance with the Federal Energy Regulatory Commission ("FERC") Standards of Conduct.
- 1.3. On October 16, 2008, the FERC issued Order No. 717, which amended 18 CFR Part 358, *Standards of Conduct*. The amended Standards of Conduct ("Standards") are applicable "to any 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." 18 CFR 358.1(b) (emphasis added).

ITC has five direct and indirect public utility operating company subsidiaries that "own, operate, or control facilities used for the transmission of electric energy in interstate commerce." Those five subsidiaries are: International Transmission Company d/b/a ITC *Transmission*; Michigan Electric Transmission Company, LLC ("METC"); ITC Midwest LLC ("ITC Midwest"); ITC Great Plains, LLC ("ITC Great Plains"); and ITC Interconnection LLC (collectively, the "ITC Operating Companies").

Each of the ITC Operating Companies is an independent transmission-only company with no employees that engage in marketing functions. Further, no ITC Operating Company conducts transmission transactions with any affiliate that engages in marketing functions.

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In addition to their focus on affiliates engaging in marketing functions, the Standards reflect the general Federal Power Act ("FPA") Section 205 prohibition against a public utility making or granting "any undue preference or advantage to any person or subject[ing] any person to any undue preference or disadvantage." Thus, the Standards provide that "a transmission provider must treat all transmission customers, affiliated and non-affiliated, on a not unduly discriminatory basis" 18 CFR 358.2(a). The Standards also require that "a transmission provider must provide equal access to non-public transmission function information disclosed to marketing function employees to all its transmission function customers, affiliated and nonaffiliated" 18 CFR 358.2(d).

The ITC Operating Companies take very seriously their FPA Section 205 obligations and intend to conduct their operations in a manner that prevents the granting of any undue preference or advantage to any person, deliberately or inadvertently. Accordingly, each of the ITC Operating Companies adopts these Written Procedures for FERC's Standards of Conduct ("Written Procedures"), which are consistent with the FERC Standards of Conduct.

2. SCOPE AND RESPONSIBILITY

- 2.1. This procedure applies to all ITC employees, contractors, consultants, temporary employees and interns.

3. REFERENCES

- 3.1. LGL-0003 Policy on Independence
- 3.2. CMN-0006 Standards of Conduct Compliance Policy
- 3.3. Federal Energy Regulatory Commission (FERC) Order No. 717 issued on 10/16/08 in Docket Number RM07-1 and subsequent orders on rehearing and/or clarification issued on 10/15/09 (Order 717-A), 11/16/09 (Order 717-B) 4/16/10 (Order 717-C) and 4/8/11 (Order 717-D).

4. PRECAUTIONS

- 4.1. N/A

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5. PROCEDURE

5.1. General Principles. 18 CFR 358.2

5.1.1. Independence of Functions. 18 CFR 358.2(b)-(d).

Each of the ITC Operating Companies is a FERC-approved independent transmission company engaged exclusively in the development, construction, maintenance, and ownership of transmission facilities. None of the ITC Operating Companies engages in generation or distribution functions or operations. In addition, none of the ITC Operating Companies engages in marketing functions within the definition of 18 CFR 358.3(c). All of the personnel providing services for all of the ITC Operating Companies are transmission function employees within the definition of 18 CFR 358.3(i).

5.1.2. Non-Discrimination. 18 CFR 358.2(a).

None of the ITC Operating Companies has any transmission customers, within the definition of 18 CFR 358.3(g), that are affiliates within the definition of 18 CFR 358.3(a). All of the ITC Operating Companies shall treat all transmission customers on a not unduly discriminatory basis. None of the ITC Operating Companies shall 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.

All of the ITC Operating Companies shall provide equal access to non-public transmission function information, within the definition of 18 CFR 358.3(j), to all of their transmission customers, subject to an appropriate Non-Disclosure Agreement. Exceptions can be made for information (1) necessary to maintain or restore operation of the transmission system or generating units, (2) that may affect the dispatch of generating units, or (3) pertaining to requirements of the interconnection or regulatory agencies. For more information on exclusions where it may be necessary and appropriate to communicate non-public Transmission Function information, please review Section 5.4 of procedure CMN-006 ("Standards of Conduct Compliance Policy"). To obtain an appropriate Non-Disclosure Agreement, if necessary, please contact a lawyer in the Legal Department – Commercial Contracts group.

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5.2. **NON-DISCRIMINATION. 18 CFR 358.4.**

5.2.1. **Tariff Enforcement. 18 CFR 358.4(a).**

The Midcontinent Independent System Operator, Inc. ("MISO") operates the transmission facilities of ITC *Transmission*, METC and ITC Midwest in accordance with the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff ("MISO Tariff"). For purposes of 18 CFR 358.4(a), ITC *Transmission*, METC and ITC Midwest do not implement or enforce their own transmission tariffs or process requests for transmission service. MISO performs those duties.

The Southwest Power Pool ("SPP") operates the transmission facilities of ITC Great Plains in accordance with the SPP Open Access Transmission Tariff ("SPP Tariff"). For purposes of 18 CFR 358.4(a), ITC Great Plains does not implement or enforce its own transmission tariff or process requests for transmission service. SPP performs those duties.

PJM Interconnection ("PJM") operates the transmission facilities of ITC Interconnection in accordance with the PJM Open Access Transmission Tariff. For purposes of 18 CFR 358.4(a), ITC Interconnection does not implement or enforce its own transmission tariff or process requests for transmission services. PJM performs those duties.

5.2.2. **Impartial Tariff Application 18 CFR 358.4(b).**

For purposes of 18 CFR 358.4(b), MISO, SPP and PJM are responsible for applying all tariff provisions relating to the sale or purchase of open access transmission service in a fair and impartial manner that treats all transmission customers in a not unduly discriminatory manner.

5.2.3. **Undue Preferences. 18 CFR 358.4(c).**

For purposes of 18 CFR 358.4 (c), MISO, SPP and PJM are responsible for assuring that they do not, through their 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).

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5.2.4. Transmission Service Requests. 18 CFR 358.4(d).

For purposes of 18 CFR 358.4 (d), MISO, SPP and PJM are responsible for processing all similar requests for transmission service in the same manner and within the same time period.

5.3. INDEPENDENCE OF FUNCTIONS. 18 CFR 358.5.

All ITC employees must function independently of the marketing function employees of any affiliates, and ITC employees must not conduct any marketing function.

5.4. NO CONDUIT. 18 CFR 358.6.

All ITC employees are prohibited from using anyone as a conduit for the disclosure of non-public transmission function information to the marketing function employees of any affiliates.

5.5. TRANSPARENCY. 18 CFR 358.7.

5.5.1. Contemporaneous Disclosure. 18 CFR 358.7(a).

If any of the ITC Operating Companies discloses any information that is subject to limited dissemination under FERC requirements, then that ITC Operating Company shall post on the appropriate Open-Access Same Time Information System ("OASIS") for the MISO, SPP or PJM, as applicable, a notice that the information was disclosed.

5.5.2. Written Procedures. 18 CFR 358.7(d).

Each of the ITC Operating Companies shall post on the appropriate OASIS for the MISO, SPP or PJM, as applicable, these Written Procedures. Changes to the Written Procedures shall be posted within seven business days.

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5.5.3. Identification of Affiliates. 18 CFR 358.7(e).

Each of the ITC Operating Companies will post the names and addresses of all its affiliates that employ or retain marketing function employees on the OASIS for the MISO, SPP or PJM, as appropriate. Changes to affiliate names or addresses will be posted within seven business days. Each of the ITC Operating Companies will post information concerning potential merger partners as affiliates that may employ or retain marketing function employees within seven business days after the potential merger is announced.

5.5.4. Identification of Employees. 18 CFR 358.7(f).

Each of the ITC Operating Companies will post on the OASIS for the MISO or on the OASIS for SPP, as applicable, the job titles and job descriptions of all transmission function employees. Changes to these titles and descriptions will be posted within seven business days.

5.6. IMPLEMENTATION. 18 CFR 358.8.

5.6.1. Compliance Measures. 18 CFR 358.8(b).

ITC, on behalf of the ITC Operating Companies, will distribute these Written Procedures to all employees when they begin employment.

5.6.2. Training and Compliance Personnel. 18 CFR 358.8(c).

ITC, on behalf of the ITC Operating Companies, will provide annual education to all employees as to the requirements of these Written Procedures. New employees will be trained within the first thirty days of their employment.

6. ATTACHMENTS

6.1. N/A

7. MISCELLANEOUS

7.1. N/A

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8. APPROVALS

Owner: _____ <E-Signature on file> _____ Date: 12/14/2021

Approver: _____ <E-Signature on file> _____ Date: 12/14/2021

9. REVISION HISTORY

Date Published	Revision Number	Individual Making Edits	Reason / Comments
02/17/14	000	L. Aragon	Initial documentation.
03/24/15	001	L. Aragon	Added Simon Whitelocke as approver. Annual Review completed.
04/12/16	002	L. Aragon	Removed Tom Wrenbeck as co-approver. Annual Review completed.
09/14/16	003	L. Aragon	Removed Simon Whitelocke as approver and added Wendy McIntyre as same. Updated to include ITC Interconnection LLC. Added language to 5.1.2 regarding system operation and NERC Standard-TOP-003-1.
11/01/16	004	L. Aragon	Revised Procedures due to Fortis acquisition of ITC Holdings Corp.
05/17/17	005	L. Aragon	Annual Review completed.
05/16/18	006	L. Aragon	Annual Review completed. Updated to refer employees to contact Commercial Contracts for assistance in obtaining a Non-Disclosure Agreement.
07/23/18	007	L. Aragon	Removed reference to TOP-003-1.
08/15/19	008	L. Aragon	Annual Review completed.
10/08/20	009	L. Aragon	Included reference to FERC Order No. 717 and subsequent orders. Annual Review completed.

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10/16/20	010	L. Aragon	Removed W. McIntyre as approver and added C. Mason Soneral as same.
12/14/21	011	L. Aragon	Updated section 5.6.2. to accurately represent current training/education practices. Updated referenced document numbers. Annual Review completed.

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