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**SEMPRA ENERGY**  
**COMPLIANCE PLAN**  
FERC Standards of Conduct for Transmission  
Providers

October 10, 2008

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## **I. INTRODUCTION**

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This document updates Sempra Energy's ("Sempra") September 22, 2006 compliance procedures (hereafter, "compliance plan") for the Standards of Conduct for Transmission Providers, as required by §358.4(e)(3) of the Commission's regulations, which were adopted in FERC Order Nos. 2004, et seq. (hereafter, the "Order" or "Order 2004").

The subsidiaries of Sempra that are either a Transmission Provider or a Marketing or Energy Affiliate are currently in compliance with the standards of conduct. Sempra has posted this updated document on the applicable Transmission Providers' OASIS (Open-Access, Same-Time Information System) or internet websites.

In sections A and B of this Introduction Sempra summarizes several compliance mechanisms and guidelines that are central to its general compliance effort. Thereafter, the Compliance Plan presents a rule-by-rule listing from Order 2004 with a subsequent discussion of the procedures and mechanisms Sempra has established to ensure compliance with the rules. More detailed, supporting documentation regarding organizational charts, job descriptions, etc. can be found on the respective OASIS/internet websites. As is demonstrated in this document and the associated documents, Sempra is in full compliance with the Commission's rules and this update presents Sempra's most current information regarding its implementation and compliance efforts.

### **A. OVERSIGHT**

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Sempra executes compliance at the operational level; consequently, dedicated personnel oversee compliance at Sempra Energy Utilities, Sempra Global companies and at Sempra Energy's Corporate Center. Sempra Energy has two Chief Compliance Officer positions located in each of its major business units: Sempra Global and Sempra Energy Utilities. Additionally, Sempra Energy has a Corporate Compliance Committee that has oversight of this Compliance Plan and all compliance programs.

### **B. TRAINING AND COMMUNICATIONS**

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An ongoing, comprehensive education and training program is a primary means for ensuring compliance with the Order.

In response to Order 2004, Sempra developed an in-house, comprehensive, web-based training module. This training along with a “refresher” version developed in 2007 has been administered annually to all required and impacted employees. The training module is interactive and employees access the training via a unique password. Each employee is required to complete a series of lessons and pass a quiz, upon which they receive certification that they have completed the training requirement. The anti-conduit attestation has also been incorporated into the training module. Records of training are automatically tracked and recorded in a database. Among the regular trainees are all directors and above and all non-represented employees at Sempra Corporate Center, Sempra Global (“Global”), SDG&E and SoCalGas (collectively referred to as “Sempra Utilities”). Additionally, impacted employees at all Energy Affiliates are trained as well as certain represented employees in the Transmission Function of SDG&E. FERC Order 2004 has been incorporated into Sempra’s annual and new-hire training program.

Sempra’s compliance personnel maintain an intranet web site where employees can access a variety of information regarding the Order, including: a complete copy of the Order, FERC-related decisions and information, the FERC 2004 compliance plan, and other related information such as a link to the required internet postings sites for the various Transmission Providers and training materials. This intranet site is maintained on a Sempra Corporate server, and is therefore accessible to all employees.

## II. Part 358 -- STANDARDS OF CONDUCT

### A. § 358.1 Applicability

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- (a) *This part applies to any interstate natural gas pipeline that transports gas for others pursuant to subpart A of Part 157 or subparts B or G of Part 284 of this chapter.*
- (b) *This part applies to any public utility that owns, operates, or controls facilities used for the transmission of electric energy in interstate commerce.*
- (c) *This part does not apply to a public utility TP that is a Commission-approved ISO or RTO. If a public utility transmission owner participates in a Commission approved ISO or RTO and does not operate or control its transmission facilities and has no access to transmission, customer or market information covered by § 358.5(b), it may request an exemption from this part.*
- (d) *A TP may file a request for an exemption from all or some of the requirements of this part for good cause.*

#### **Procedures and Mechanisms for Compliance**

See Procedures and Mechanisms for Compliance in §358.3 Definitions.

### B. § 358.2 General Principles

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- (a) *A TP's employees engaged in transmission system operations must function independent from the employees of its Marketing and Energy Affiliates.*
- (b) *A TP must treat all transmission customers, affiliated and non-affiliated, on a non-discriminatory basis, and must not operate its transmission system to preferentially benefit its Marketing or Energy Affiliates.*

#### **Procedures and Mechanisms for Compliance**

Transmission Provider employees engaged in transmission system operations, or who have non-public information pertaining to such operations ("Transmission Function Employees") shall function independently of other Transmission Provider employees who engage in marketing, sales or brokering ("Marketing Affiliate" employees) as well as Energy Affiliate employees. Therefore, Transmission Function Employees will not engage in marketing, sales or brokering. Similarly, Marketing or Energy Affiliate employees will not conduct transmission system operations; and

Marketing Affiliate employees or Energy Affiliate employees shall not have access to the Transmission System Control Room, or similar facilities used for Transmission Operations (or Reliability functions), in any way that differs from the access available to other open access Transmission Customers except for allowed deviations. Transmission Providers will treat all transmission customers, affiliated and non-affiliated, on a non-discriminatory basis and will not share non-public information related to transmission operations with any transmission customer. For a listing of Sempra's Transmission Providers and Marketing and Energy Affiliates, see Procedures and Mechanisms for Compliance under §358.3 Definitions.

### **C. § 358.3 Definitions**

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(a) Transmission Provider means:

1. Any public utility that owns, operates or controls facilities used for the transmission of electric energy in interstate commerce; or
2. Any interstate natural gas pipeline that transports gas for others pursuant to subpart A of Part 157 or subparts B or G of Part 284 of this chapter.
3. A TP does not include a natural gas storage provider authorized to charge market-based rates that is not interconnected with the jurisdictional facilities of any affiliated interstate natural gas pipeline, has no exclusive franchise area, no captive rate payers and no market power.

(b) Affiliate means:

1. Another person which controls, is controlled by or is under common control with, such person. An Affiliate includes a division that operates as a functional unit, and
2. For any exempt wholesale generator, as defined under 32(a) of the Public Utility Holding Company Act of 1935, as amended, the same as provided in Section 214 of the Federal Power Act.

(c) Control (including the terms “controlling,” “controlled by,” and “under common control with”) as used in this part and § 250.16 of this chapter, includes, but is not limited to, the possession, directly or indirectly and whether acting alone or in conjunction with others, of the authority to direct or cause the direction of the management or policies of a company. A voting interest of 10 percent or more creates a rebuttable presumption of control.

(d) Energy Affiliate means an affiliate of a TP that:

1. Engages in or is involved in transmission transaction in U.S. energy or transmission markets; or
2. Manages or controls transmission capacity of a TP in U.S. energy or transmission markets; or
3. Buys, sells, trades or administers natural gas or electric energy in U.S. energy or transmission markets; or

4. *Engages in financial transactions relating to the sale or transmission of natural gas or electric energy in U.S. energy or transmission markets.*
  5. *An LDC division of an electric public utility Transmission Provider shall be considered the functional equivalent of an Energy Affiliate, unless it qualifies for the exemption in § 358.3(d)(6)(v).*
  6. *An Energy Affiliate does not include:*
    - i. *A foreign affiliate that does not participate in U.S. energy markets;*
    - ii. *An affiliated TP or an interconnected foreign affiliated natural gas pipeline that is engaged in natural gas transmission activities which are regulated by the state, provincial or national regulatory boards of the foreign country in which such facilities are located.*
    - iii. *A holding, parent or service company that does not engage in energy or natural gas commodity markets or is not involved in transmission transactions in U.S. energy markets;*
    - iv. *An affiliate that purchases natural gas or energy solely for its own consumption. "Solely for its own consumption" does not include the purchase of natural gas or energy for the subsequent generation of electricity.*
    - v. *A State-regulated LDC that acquires interstate transmission capacity to purchase and resell gas only for on-system customers, and otherwise does not engage in the activities described in §§ 358.3(d)(1), (2), (3) or (4), except to the limited extent necessary to support on-system customer sales and to engage in de minimus sales necessary to remaining in balance under applicable pipeline tariff requirements.*
    - vi. *A processor, gatherer, Hinshaw pipeline or an intrastate pipeline that makes incidental purchases or sales of de minimus volumes of natural gas to remain in balance under applicable pipeline tariff requirements and otherwise does not engage in the activities described in §§ 358.3(d)(1), (2), (3) or (4).*
- (e) *Marketing, sales or brokering means a sale for resale of natural gas or electric energy in interstate commerce. Sales and marketing employee or unit includes:*
1. *An interstate natural gas pipeline's sales operating unit, to the extent provided in § 284.286 of this chapter, and*
  2. *A public utility TP's energy sales unit, unless such unit engages solely in bundled retail sales.*
  3. *Marketing or sales does not include incidental purchases or sales of natural gas to operate interstate natural gas pipeline transmission facilities.*
- (f) *Transmission means natural gas transportation, storage, exchange, backhaul, or displacement service provided pursuant to subpart A or Part 157 or subparts B or G of Part 284 of this chapter; and electric transmission, network or point-to-point service, reliability service, ancillary services or other methods of transportation or the interconnection with jurisdictional transmission facilities.*
- (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 of for information regarding transmission.*

- (h) Open Access Same-time Information System or OASIS refers to the Internet location where a public utility posts the information, by electronic means, required by Part 37 of this chapter.*
- (i) Internet website refers to the Internet location where an interstate natural gas pipeline posts the information, by electronic means, required by §§ 284.12 and 284.13 of this chapter.*
- (j) Transmission Function Employee means an employee, contractor, consultant or agent of a TP who conducts transmission system operations or reliability functions, including, but not limited to, those who are engaged in day-to-day duties and responsibilities for planning, directing, organizing or carrying out transmission-related operations.*
- (k) Marketing Affiliate means an Affiliate as that term is defined in § 358.3(b) or a unit that engages in marketing, sales or brokering activities as those terms are defined at § 358.3(e).*

On November 17, 2006, the United States Court of Appeals for the District of Columbia in *National Fuel Gas Supply Corporation v. FERC*, 468 F.3d 831 (D.C. Cir. 2006) found that the Federal Energy Regulatory Commission did not support the standards of conduct's expansive definition of energy affiliates, vacated Order Nos. 2004, 2004-A, 2004-B, 2004-C and 2004-D (collectively referred to as Order No. 2004) as applied to natural gas pipelines, and remanded the orders to the Commission. Specifically, the court rejected the Commission's extension of the standards of conduct beyond pipelines' relationships with their marketing affiliates to govern pipelines' relationships with numerous non-marketing affiliates, such as producers, gatherers, and local distribution companies (non-marketing energy affiliates), as well as extending the standards of conduct to energy affiliates that do not ship on their affiliated pipelines. On January 9, 2007, the Commission addressed the Court's order by issuing Interim Rules. In the Interim Rules, the Commission modified the regulations originally promulgated by Order No. 2004 consistent with the court's decision by granting clarification that the standards of conduct for natural gas transmission providers under the interim rule apply only to natural gas transmission providers that are affiliated with a marketing or brokering entity that conducts transportation transactions on such natural gas transmission provider's pipeline. The Commission also granted clarification that the definition for a marketing or brokering entity for a natural gas transmission provider is identical to the definition under the pre-Order No. 2004 standards of conduct. On January 18, 2007 the Commission issued a NOPR which, among other things, proposed to make permanent the interim rule provision that the standards of conduct do not apply to the relationship between natural gas pipeline transmission providers and their energy affiliates. Comments were due in March of 2007,

and a final ruling has not been issued as of this update. The regulations adopting the Interim Rules are not recited here verbatim but are reflected herein. Sempra Energy is in full compliance with the Interim Rules.

## **Procedures and Mechanisms for Compliance**

### **Holding Companies**

#### **Sempra Energy**

Sempra Energy, a holding company and the parent company for all Sempra companies, is not a Transmission Provider because it is not a public utility that owns, operates or controls facilities used for the transmission of electric energy in interstate commerce, or an interstate natural gas pipeline that transports gas for others. In addition, Sempra Energy does not participate in energy or natural gas commodity markets, and therefore, is not an "Energy Affiliate." Sempra Energy's Corporate Center provides virtually all of the corporate governance for its subsidiaries and provides some shared oversight between its Transmission Provider and Marketing or Energy Affiliate companies.

#### **Sempra Global ("Global")**

Global is the holding company for SG, SET, SPS, SLNG, SES and SRM (defined later in this document). Global does not participate in energy or natural gas commodity markets and is not involved in transmission transactions in U.S. energy markets. Therefore, it is neither an Energy Affiliate nor a Transmission Provider per Order 2004/Interim Rules.

### **Transmission Providers ("TP")**

#### **San Diego Gas & Electric Company ("SDG&E")**

SDG&E is a TP, as a public utility that owns, operates, or controls facilities used for the transmission of electric energy in interstate commerce. Since April 1998, pursuant to the California Independent System Operator's (CAISO or ISO) FERC-approved Tariff, the ISO has provided operational control of and third party access to SDG&E's transmission system. SDG&E does not itself operate or control the scheduling of electric transmission capacity on its jurisdictional transmission. SDG&E has previously transferred these functions to the CAISO. The following areas of SDG&E are comprised of employees who are "Transmission Function Employees": Electric Grid Operations, parts of the Electric Transmission & Distribution group, and

parts of the Electric Project Development & Business Planning Department. In addition, pursuant to the California ISO's Tariff, the CAISO will continue to provide operational control of and third party access to SDG&E's transmission system on a non-discriminatory basis.

### **Sempra Pipelines and Storage Corp. (“SPS”)**

Sempra Pipelines and Storage Corp. serves as the holding company for subsidiaries of both operational and developing pipelines and storage facilities in North America. SPS is developing Cameron Interstate Pipeline, Port Arthur Pipeline, and Rockies Express Pipeline. Liberty Gas Storage went into limited service in May 2007. Rockies Express Pipeline and Liberty Gas Storage are Transmission Providers per the Interim Rules. These systems are affiliates with a marketing or brokering entity that conducts transportation transactions on its system.

SPS is not a Transmission Provider because it is a holding company that does not transport gas for others. But in the current development stage, SPS’ employees are planning, directing, organizing or carrying out the current and planned transmission-related operations for Cameron, Port Arthur and Rockies Express pipelines and Liberty Gas Storage. These employees thus are treated as Transmission Function Employees, as if they were directly employed by the pipelines and storage facility.

### **Liberty Gas Storage, LLC (“Liberty”)**

Liberty is a 17 Bcf high-deliverability salt-cavern natural gas storage facility. Liberty received its CPCN by FERC on December 8, 2005, and commenced interruptible wheeling service in May 2007. Storage services are expected to commence at the end of 2008. Due to interest by potential customers, Liberty Gas Storage has started the permitting process with the Federal Energy Regulatory Commission (FERC) to expand the facilities. This new part of the project will be located in Cameron Parish and will add approximately 17.5 billion cubic feet of natural gas storage in underground salt caverns.

The expansion project will add approximately 17.5 billion cubic feet of natural gas storage in underground salt caverns, which are located on 160 acres of property owned by Liberty Gas Storage in west Hackberry.

On May 16, 2005, SPS announced the closing of a transaction pursuant to which ProLiance Transportation and Storage-Liberty, LLC (“PT&S”) acquired a 25% ownership interest in Liberty. SEI Storage Corp. (“SEI Storage”), Liberty’s current parent company (which is part of the SPS business unit), has retained a 75% ownership interest. SPS will have continued responsibility for

the development and operation of the Liberty project's storage facilities. Accordingly, the revised ownership of Liberty will have no material impact to the Liberty project location, operation, construction and maintenance or the services offered by Liberty under its proposed tariff. In accordance with FERC 2004, the announcement was posted on the Sempra Pipelines and Storage website in the 'Potential Merger Partners as Affiliates' category. PT&S has also opted to take a 25% interest in Liberty's expansion project.

As discussed in its certificate application, Liberty had previously entered into an arms-length *Precedent Agreement for Firm Natural Gas Storage Service* ("Precedent Agreement") with ProLiance<sup>1</sup> for subscription of approximately 35% of the Liberty project's working gas storage capacity. Once Liberty commences storage operations, therefore, Liberty will be affiliated with a marketing or brokering entity that conducts transportation transactions on its system.

Liberty's implementation procedures ensure that the ownership arrangement complies with the Interim Rules' requirements. For example, because of the affiliate relationship between PT&S and ProLiance, Liberty treats ProLiance as a marketing affiliate ("MA") and also treats other members of the ProLiance family as TPs/MAs, as appropriate. Liberty's FERC 2004 Compliance Plan for this relationship as well as the ProLiance organizational chart are located in Appendix A of this document.

### **Rockies Express Pipeline, LLC ("REX")**

REX is designed as a 1,679-mile natural gas pipeline system from Rio Blanco County, Colorado, to Monroe County, Ohio. Portions of REX are in service (REX-Entrega and REX-West) and a portion is expected to be in full service by summer of 2009 (REX-East).

REX, a Delaware limited liability company, is owned by West2East Pipeline LLC ("West2East"). Kinder Morgan Energy Partners, L.P., Sempra Global, and ConocoPhillips each own interests in West2East.

Applicable affiliates within the Sempra, Kinder Morgan, and ConocoPhillips families of companies are being treated as affiliates of REX. Details on REX, including REX's FERC 2004 posting requirements, including its Written Procedures, can be found at: <http://pipeline.kindermorgan.com/>.

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<sup>1</sup> PT&S is the asset development and ownership affiliate of ProLiance Energy, LLC ("ProLiance"), a natural gas marketing company. ProLiance is an energy marketer with approximately 100 marketing and trading employees that serve customers in about 18 states, engaging in purchases and sales of natural gas and transportation capacity. ProLiance also serves as a holding company for other entities, including PT&S.

### **Cameron Interstate Pipeline, LLC (“CIP”)**

Cameron Pipeline is a planned 35-mile send-out pipeline associated with the planned Cameron LNG liquefied natural gas (“LNG”) terminal in Cameron Parish, Louisiana. FERC granted final authorization for the projects on September 11, 2003 (Cameron LNG, LLC, 104 FERC ¶61,269 (2003)). Cameron Interstate Pipeline is certificated for a capacity of 1.5 billion cubic feet per day and is expected to be placed into service in late 2008.

### **Marketing Affiliates (“MA”)/ Energy Affiliates (“EA”)**

#### **SDG&E**

SDG&E's Electric and Gas Procurement Department (“E&GP”) engages in both wholesale sales and purchases. Therefore, since this department engages in the Marketing, Sales or Brokering of electric and gas commodity, as defined in § 358.3(e), it is considered a Marketing Affiliate. E&GP is separated both physically and functionally from the Transmission Function of SDG&E. As has been the case under Order 889, E&GP does not have access to Transmission System Operations or any non-public information not posted on OASIS. SDG&E's load management and conservation programs, as well as interruptible load programs, are not "sales for resale," within the meaning of § 358.3(e).

#### **Southern California Gas Company (“SoCalGas”)**

SoCalGas is a natural gas distribution utility and qualifies as an Energy Affiliate pursuant to § 358.3(d) of SDG&E.

#### **Sempra Generation (“SG”)**

Sempra Generation's subsidiaries operate merchant power plants and sell energy in wholesale markets. These subsidiaries include Mesquite Power, El Dorado Energy, Elk Hills Power and Termoelectrica de Mexicali-US. Sempra Generation also sells energy in wholesale markets. SG and its noted power-plant subsidiaries, therefore, are Energy Affiliates of SDG&E.

#### **Sempra Energy Trading, LLC (“SET”) and Sempra Energy Solutions (“SES”)**

SET and SES are part of the Sempra Commodities business unit. SET is a full-service energy trading company that markets and trades physical and financial energy products including crude oil and refined products, natural gas, power, and their financial derivatives. The SES Commodity Trading group supplies electricity and natural gas to large commercial and industrial retail

customers across the United States. A portion of the transactions include wholesale sales. On April 1, 2008, Sempra finalized a joint venture with The Royal Bank of Scotland (RBS) known as RBS Sempra Commodities LLP which now owns a controlling interest in SET and SES. RBS will be the principal entity under all energy contracts, and SET and SES will act as agents of RBS. Nonetheless, Sempra will continue to treat SET and SES as Energy Affiliates of SDG&E for purposes of these rules. SET is also a Marketing Affiliate of Sempra Rockies Pipeline, LLC and Liberty Gas Storage, LLC.

**Sempra LNG (“SLNG”) /Sempra LNG Marketing**

Sempra LNG is the holding company for two LNG receipt terminal projects in the United States. Cameron LNG is being developed near Lake Charles, Louisiana, on the U.S. Gulf Coast. It has been authorized by the Commission and began construction in September 2005. FERC has also approved an expansion to 2.65 Bcf/d. Port Arthur LNG received its final authorization from FERC on June 19, 2006 (115 FERC ¶61,344). The project is located in the Port Arthur ship channel in Texas that is an entryway from the Gulf of Mexico. Sempra LNG Marketing, a subsidiary of SLNG, holds a precedent agreement with North Baja Pipeline. Therefore, SLNG is an EA of SDG&E.

**Sempra Rockies Marketing, LLC (“SRM”)**

SRM holds a firm transportation service agreement on REX. SRM is being treated as an EA of SDG&E and an MA of REX.

**EnergySouth Companies**

On October 1, 2008 Sempra Energy completed the merger of a Sempra Energy subsidiary and EnergySouth, Inc. EnergySouth businesses will be subsidiaries of Sempra Pipelines & Storage. The merger includes, in relevant part, the following subsidiaries: EnergySouth Services, Inc., a natural gas marketer, and Bay Gas Storage, an intrastate natural gas storage provider that engages in certain interstate transactions under Section 311 of the Natural Gas Policy Act. Both companies are EAs of SDG&E.

Below is a summary of the primary Sempra companies by category:

**SDG&E’s Primary Sempra Energy Companies as Defined by Order 2004**

	Holding Company (Exempt)	Transmission Provider	Marketing Affiliate	Energy Affiliate

Sempra Energy	X			
SDG&E Electric Transmission Dept.		X		
SDG&E Electric & Gas Procurement Dept.			X	
SoCalGas				X
Global	X			
SPS	X			
-Liberty Gas Storage		X		
-Rockies Express Pipeline		X		
-EnergySouth Services				X
-Bay Gas Storage				X
SET				X
SES				X
SLNG				X
-Cameron LNG				X (a)
-Port Arthur LNG				X (a)
-Sempra LNG Marketing				X
SG				X
-Elk Hills Power				X
-Mesquite Power				X
-El Dorado Energy				X
-Termoelectrica de Mexicali-US				X
Sempra Rockies Marketing				X

(a) LNG terminalling is not an activity covered by the “Energy Affiliate” definition, but Sempra LNG Marketing is otherwise engaging in other activities under that definition. Cameron and Port Arthur LNG are voluntarily being treated as an “Energy Affiliate” at this time but may not remain so indefinitely.

**Liberty, REX and CIP’s Primary Sempra Energy Companies as Defined by Interim Rules**

	Holding Company (Exempt)	Transmission Provider	Marketing Affiliate
Sempra Energy	X		
SDG&E Electric Transmission Dept.		X	
Global	X		
SPS	X		
-Liberty Gas Storage		X	
ProLiance Energy (a)			X
-Rockies Express Pipeline		X	
Sempra Rockies Marketing			X (b)
Sempra Energy Trading, LLC		X(c)	X (c)

(a) ProLiance Energy is an MA of Liberty Gas Storage only.

(b) Sempra Rockies Marketing is an MA of Rockies Express Pipeline only.

(c) Sempra Energy Trading, LLC is an MA of Rockies Express Pipeline and Liberty Gas Storage.

**D. § 358.4 Independent Functioning**

(a) *Separation of Functions*

1. *Except in emergency circumstances affecting system reliability, the transmission function employees of the TP must function independently of the TP's Marketing or Energy Affiliates' employees.*
2. *Notwithstanding any other provisions in this section, in emergency circumstances affecting system reliability, a TP may take whatever steps are necessary to keep the system in operation. TPs must report to the Commission and post on the OASIS or Internet website, as applicable, each emergency that resulted in any deviation from the standards of conduct, within 24 hours of such deviation.*
3. *The TP is prohibited from permitting the employees of its Marketing or Energy Affiliates from:*
  - i. *Conducting transmission system operations or reliability functions; and*
  - ii. *Having access to the system control center or similar facilities used for transmission operations or reliability functions that differs in any way from the access available to other transmission customers.*
4. *TPs are permitted to share support employees and field and maintenance employees with their Marketing and Energy Affiliates.*
5. *TPs are permitted to share with their Marketing or Energy Affiliates senior officers and directors who are not "Transmission Function Employees" as that term is defined in § 358.3(j). A TP may share transmission information covered by § 358.5(a) and (b) with its shared senior officers and directors provided that they do not participate in directing, organizing or executing transmission system operations or marketing functions; or act as a conduit to share such information with a Marketing or Energy Affiliate.*
6. *TPs are permitted to share risk management employees that are not engaged in Transmission Functions or sales or commodity functions with their Marketing and Energy Affiliates.*

## **Procedures and Mechanisms for Compliance**

### **Separation of Functions**

#### **SDG&E**

The following types of security systems and procedures restrict unauthorized physical access and unauthorized electronic access to computers, information systems, or computer applications between energy and marketing affiliates and transmission providers:

**Physical Security** – SDG&E is primarily situated at its Century Park (CP) facility located in Kearny Mesa, CA. As was the case under FERC Order 889, SDG&E Marketing Affiliate employees as well as employees of an Energy Affiliate of SDG&E, will not have access to the Transmission System Control Room, or similar facilities used for Transmission Operations (or Reliability Functions), in any way that differs from the access available to other open access Transmission Customers except for deviations allowed under §358.4(d). This separation is maintained by housing SDG&E's Grid Control, Electric Transmission & Distribution groups, parts of the 500 KV Project Department and the Electric Project Development & Business Planning

Department in buildings which are separated from the buildings housing Marketing or Energy Affiliate employees. The buildings that house SDG&E's Grid Operations (also known as the Mission Control center) are located approximately 6 miles south of CP and physical access is controlled through an identification card security system monitored on-site 24 hours per day by trained security personnel and remotely by a central security staff. Access to the buildings by Marketing or Energy Affiliate employees is prohibited, unless such an employee is given express permission by authorized personnel and signs an on-site log sheet entry. Similarly, the buildings located at CP that house SDG&E's Electric Transmission & Distribution organizations and the Electric Project Development & Business Planning Department are also physically separate from Marketing and Energy Affiliates and access to these work areas are controlled through an identification card security system monitored on-site 24 hours per day by trained security personnel and remotely by central security staff.

***Information Security Systems*** - SDG&E's internal network (aka intranet) is functionally separate from its energy affiliate intranets. Access to SDG&E's intranet is controlled by the use of firewalls to prevent unauthorized access with the exception of SoCalGas and E&GP which use server-level controls to achieve the required separation from SDG&E. Firewalls are specialized security hardware and software designed to isolate networks that require different security policy enforcement mechanisms. In addition to this industry standard approach to network security, the following types of information security systems provide additional levels of protection:

- ✦ Remote Access Security Software coupled with SecureID Tokens
- ✦ Application Security

***Information Security Administration*** - In addition to the physical and security systems described above, unauthorized systems access is prevented via automated and manual information security administration tools and standard procedures, including:

- ✦ Individual Employee Identifications and Passwords
- ✦ Basic Access Rule is to Deny Access by Default
- ✦ Security Handling of Terminated and Transferred Employees
- ✦ Special Security Handling of Affiliate Employee Access

### **SPS, REX, CIP and Liberty**

REX and some of Liberty and CIP's Transmission Function personnel in the Sempra family are situated in Sempra's Headquarters building ("HQ") in downtown San Diego. In response to Order

2004 separation requirements, these employees were relocated to a floor that is separate from all EA/MA employees. That floor at the HQ is card key restricted to EAs/MAs. Global operates its own IT department which employs similar techniques as those mentioned above for SDG&E to separate and prevent unauthorized access to computer systems.

Some Liberty Gas Storage and Cameron Interstate Pipeline personnel are located in Calcasieu and Beauregard parishes near the city of Sulphur, in Louisiana and are therefore, geographically separated from its affiliated companies with the exception of Cameron LNG which is located in an adjacent Parish (Cameron). The Liberty and CIP facilities are separate and stand-alone facilities that employ security measures that include card-key access.

Shared information systems are operated by Sempra Global's IT department which employs techniques noted above to separate and prevent unauthorized access to computer systems. Additionally, Liberty and CIP's Electronic Bulletin Board or internet websites that are utilized for their required postings are outsourced and separately operated by Latitude Technologies of Allen, Texas.

REX personnel are located in Lakewood, Colorado and Houston, Texas and are therefore, geographically separated from SPS and its affiliated companies. In addition to the physical separation, neither company shares a common information systems or personnel with Sempra companies.

### **Shared Support Employees**

Sempra Energy's shared service groups reside at Sempra Energy's Corporate Center, at Global and its business units, and at SDG&E and SoCalGas. In general, Sempra's shared services include the following types of functions: Human Resources, Finance, External Relations, Corporate Governance, Corporate Compliance, Communications & Investor Relations, Legal, Real Estate & Facilities, Business Solutions, Accounting, Information Technology, Regulatory Affairs, Customer Service, Governmental and Community Affairs, Risk Management and Labor Relations. Shared service groups are required to comply with a strict no-conduit rule prohibiting them from providing or otherwise making available any transmission, market or customer information to Marketing or Energy Affiliate employees. All shared support employees are trained on Order 2004 and required to acknowledge the anti-conduit provisions of the Order.

### **Shared Officers**

Corporate governance and oversight is an important function. Corporate Officers must be provided with all material necessary for them to ensure consistent and coordinated leadership as well as perform their fiduciary duties. These activities are conducted in a manner that is entirely consistent with Section 358.4(a)(5). Sempra's Shared Officers do not participate in directing, organizing or executing transmission system operations or marketing functions or act as a conduit to share such information with a Marketing or Energy Affiliate. In addition to training and the anti-conduit attestation, officers with transmission-related corporate governance roles are individually interviewed about the requirements of this rule. Each shared officer then verifies he or she is in full compliance.

*(b) Identifying affiliates on the public Internet*

1. *A TP must post the names and addresses of Marketing and Energy Affiliates on its OASIS or Internet website.*
2. *A TP must post on its OASIS or Internet website, as applicable, a complete list of the facilities shared by the TP and its Marketing and Energy Affiliates, including the types of facilities shared and their addresses.*
3. *A TP must post comprehensive organizational charts showing;*
  - i. *The organizational structure of the parent corporation with the relative position in the corporate structure of the TP, Marketing and Energy Affiliates;*
  - ii. *For the TP, the business units, job titles and descriptions, and chain of command for all positions, including officers and directors, with the exception of clerical, maintenance, and field positions. The job titles and descriptions must include the employee's title, the employee's duties, whether the employee is involved in transmission or sales, and the name of the supervisory employees who manage non-clerical employees involved in transmission or sales.*
  - iii. *For all employees who are engaged in transmission functions for the TP and marketing or sales functions or who are engaged in transmission functions for the TP and are employed by any of the Energy Affiliates, the TP must post the name of the business unit within the marketing or sales unit or the Energy Affiliate, the organizational structure in which the employee is located, the employee's name, job title and job description in the marketing or sales unit or Energy Affiliates, and the employee's position within the chain of command of the Marketing or Energy Affiliate.*
  - iv. *The TP must update the information on its OASIS or Internet website, as applicable, required by §§ 358.4(b)(1), (2) and (3) within seven business days of any change, and post the date on which the information was updated.*
  - v. *The TP must post information concerning potential merger partners as affiliates within seven days after the potential merger is announced.*
  - vi. *All OASIS or Internet website postings required by Part 358 must comply, as applicable, with the requirements of § 37.6 or §§ 284.12(a) and (c)(3)(v) of this chapter.*

## **Procedures and Mechanisms for Compliance**

### **SDG&E**

SDG&E has updated its existing OASIS website to comply with the additional informational posting requirements, and has implemented procedures to update the information on its OASIS within seven business days of any change. Below is the link to SDG&E's site containing the relevant, currently available information:

<http://www.sdge.com/toforum/>

### **SPS, REX, CIP and Liberty**

With the exception of REX and Liberty, SPS' Transmission Provider companies are not yet operational. SPS has created an internet site to house the required postings and has implemented procedures to update the information within seven business days of any change. Below are the links to view the relevant, currently available information:

<http://www.semrapipelinesandstorage.com/>

REX's relevant information can be found on its website:

<http://pipeline.kindermorgan.com/>

Liberty Gas Storage informational postings can be found on its website:

<http://www.latec.com/liberty/>

### **Potential Merger Partners**

SDG&E, REX, CIP and Liberty Gas Storage will post the following information concerning potential merger partners as marketing and energy affiliates within seven days after entering into a definitive binding agreement to merge with or otherwise acquire such an entity:

- ✦ Name and address of potential merger partner
- ✦ Date of merger announcement
- ✦ Company description.

(c) *Transfers. Employees of the TP, Marketing or Energy Affiliates are not precluded from transferring among such functions as long as such transfer is not used as a means to circumvent the Standards of Conduct. Notices of any employee transfers between the TP, on*

*the one hand, and the Marketing or Energy Affiliates, on the other, must be posted on the OASIS or Internet website, as applicable. The information to be posted must include; the name of the transferring employee, the respective titles held while performing each function (i.e., on behalf of the TP, Marketing or Energy Affiliate), and the effective date of the transfer. The information posted under this section must remain on the OASIS or Internet website, as applicable, for 90 days.*

## **Procedures and Mechanisms for Compliance**

Sempra understands the Order to mean the transfers of employees between the *Transmission Function* of the Transmission Provider (and not *all* TP employees) and its Marketing or Energy Affiliates based on the training requirements and the employee transfer requirements of the preceding Order 889. Accordingly, all Sempra Transmission Providers will make the transfer notification postings as required.

(d) *Books and records.* *A TP must maintain its books of account and records (as prescribed under Parts 101, 125, 201 and 225 of this chapter) separately from those of its Energy Affiliates and these must be available for Commission inspections.*

(e) *Written procedures.*

1. *By February 9, 2004, each TP is required to file with the Commission and post on the OASIS or Internet website a plan and schedule for implementing the standards of conduct.*
2. *Each TP must be in full compliance with the Standards of Conduct by September 22, 2004.*
3. *The TP must post on the OASIS or Internet website, current written procedures implementing the standards of conduct in such detail as will enable customers and the Commission to determine that the TP is in compliance with the requirements of this section by September 22, 2004 or within 30 days of becoming subject to the requirements of Part 358.*
4. *The TPs will distribute the written procedures to all TP employees and employees of the Marketing and Energy Affiliates.*
5. *TPs shall train officers and directors as well as employees with access to transmission information or information concerning gas or electric purchases, sales or marketing functions. The TP shall require each employee to sign a document or certify electronically signifying that s/he has participated in the training.*
6. *TPs are required to designate a Chief Compliance officer who will be responsible for standards of conduct compliance.*

## **Procedures and Mechanisms for Compliance**

### **Written Procedures**

On September 22, 2004, in accordance with the initial Order, the compliance plan (written procedures) was posted on the applicable TP websites and electronically distributed to all

Transmission Provider, Marketing and Energy Affiliate employees. Additionally, it was posted on Sempra's internet site in the Governance section

(<http://www.sempra.com/aboutUs/governance.htm>). The procedures are updated by compliance personnel for material changes as they become evident and re-posted on each Transmission Provider's OASIS or internet website as well as Sempra's Energy's site.

### **Chief Compliance Officer**

Sempra Energy has two Chief Compliance Officer positions located in each of its major business units: Sempra Global and Sempra Energy Utilities. Sempra Utilities have appointed Robert Schlax, VP & Controller, as their Chief Compliance Officer for purposes of ensuring compliance with these standards of conduct. Sempra Global has named Erbin Keith, VP of Regulatory Affairs, as its Chief Compliance Officer. Contact information is as follows:

Erbin Keith, VP, Regulatory  
Affairs  
Sempra Energy  
101 Ash Street  
San Diego, CA 92101  
(619) 696-4676

Robert Schlax, VP and  
Controller,  
Sempra Energy Utilities  
8330 Century Park Court  
San Diego, CA 92123  
(858) 650-4191

## **E. § 358.5 Non-discrimination requirements**

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### **(a) Information access**

- 1. The TP must ensure that any employee of its Marketing or Energy Affiliate may only have access to that information available to the TP's transmission customers (i.e., the information posted on the OASIS or Internet website, as applicable), and must not have access to any information about the TP's transmission system that is not available to all users of an OASIS or Internet website, as applicable.*
- 2. The TP must ensure that any employee of its Marketing or Energy Affiliate is prohibited from obtaining information about the TP's transmission system (including, but not limited to, information about available transmission capability, price, curtailments, storage, ancillary services, balancing, maintenance activity, capacity expansion plans or similar information) through access to information not posted on the OASIS or Internet website or that is not otherwise also available to the general public without restriction.*

### **(b) Prohibited disclosure**

- 1. An employee of the TP may not disclose to its Marketing or Energy Affiliates any information concerning the transmission system of the TP or the transmission system of another (including, but not limited to, information received from non-affiliates or information about available transmission capability, price, curtailments, storage, ancillary services, balancing, maintenance activity, capacity expansion plans, or similar information) through non-public communications conducted off the OASIS or Internet website, through access to information not posted on the OASIS or Internet website that is*

*not contemporaneously available to the public, or through information on the OASIS or Internet website that is not at the same time publicly available.*

- 2. A TP may not share any information, acquired from non-affiliated transmission customers or potential non-affiliated transmission customers, or developed in the course of responding to requests for transmission or ancillary service on the OASIS or Internet website, with employees of its Marketing or Energy Affiliates, except to the limited extent information is required to be posted on the OASIS or Internet website in response to a request for transmission service or ancillary services.*
- 3. If an employee of the TP discloses information in a manner contrary to the requirements of § 358.5(b)(1) and (2), the TP must immediately post such information on the OASIS or Internet website.*
- 4. A non-affiliated transmission customer may voluntarily consent, in writing, to allow the TP to share the non-affiliated customer's information with a Marketing or Energy Affiliate. If a non-affiliated customer authorizes the TP to share its information with a Marketing or Energy Affiliate, the TP must post notice on the OASIS or Internet website 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.*
- 5. A TP is not required to contemporaneously disclose to all transmission customers or potential transmission customers information covered by § 358.5(b)(1) if it relates solely to a Marketing or Energy Affiliate's specific request for transmission service.*
- 6. A TP may share generation information necessary to perform generation dispatch with its Marketing and Energy Affiliate that does not include specific information about individual third party transmission transactions or potential transmission arrangements.*
- 7. Neither a TP nor an employee of a TP is permitted to use anyone as a conduit for sharing information covered by the prohibitions of §§ 358.5(b)(1) and (2) with a marketing or Energy Affiliate. A TP may share information covered by §§ 358.5(b)(1) and (2) with employees permitted to be shared under §§ 358.4(a)(4),(5) and (6) provided that such employees do not act as a conduit to share such information with any Marketing or Energy Affiliates.*
- 8. A TP is permitted to share information necessary to maintain the operations of the transmission system with its Energy Affiliates.*

## **Procedures and Mechanisms for Compliance**

### **Information Access**

#### **SDG&E**

As with Order 889, SDG&E is in compliance with Order 2004's requirements regarding non-discrimination to avoid any undue preference accorded to any entity within Sempra that is either an Energy or Marketing Affiliate.

#### **SPS, REX, CIP and Liberty**

SPS, REX, and Liberty are in compliance with the Interim Rules requirements regarding non-discrimination to avoid any undue preference afforded to any entity within Sempra that is a Marketing Affiliate.

## **Crucial Operating Information**

### **SDG&E**

Section 358.5(b)(8) of the standards of conduct permits the sharing of crucial operating information between a Transmission Provider and an Energy Affiliate to maintain the reliability of the transmission system. Certain communications between SDG&E's electric grid operations, located at its Mission Control facility, and SoCalGas Gas Control should be permitted to occur for the sole purpose of maintaining electric energy and natural gas delivery reliability. Absent these communications, gas control operators would be forced to "react" to these changes in demand (changes can be significant), unnecessarily increasing the potential for service disruption. The importance of maintaining communications between the electric transmission functions of SDG&E and the Gas Control function managed by SoCalGas can be understood with some explanation of SoCalGas' Gas Operations unit and its role in maintaining reliable electric service in San Diego. Gas Operations, which is entirely separate from SoCalGas' gas acquisitions (or merchant) function and SDG&E's gas and electric merchant function operates the gas systems of both SoCalGas and SDG&E<sup>2</sup>. The SDG&E gas system is the only source of gas for the electric generation facilities in the San Diego area, and under certain conditions, usage can outstrip the available capacity to serve that demand. Consistent with §358.3(b)(8), communications between Mission Control and Gas Control, to ensure gas and electric systems reliability, may, for example, consist of:

- 1) Planned electric transmission line outage information that impacts generation or import capability
- 2) Planned SDG&E operated electric generation plant or San Onofre outage information (scheduled dates, planned duration, updates). Third party generation outages are coordinated through the CAISO
- 3) Unplanned outages in any major electric transmission line that impacts generation or import capabilities as soon as they occur (e.g. wildfires)
- 4) Notification of CAISO Stage 1, 2, or 3 electric emergencies

Communications from Gas Control to Mission Control may consist, for example, of:

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<sup>2</sup> Gas Operations is separated from these two merchant functions in accordance with the various standards of conduct, as well as additional FERC-mandated requirements. See 83 PEW f 61,199 at 61,868 (1998) as well as CPUC-mandated remedial measures. These remedial measures were adopted in CPUC Decision (D.) 98-03-073 (Merger Conditions and Remedial Measure Conditions adopted by the Commission in approving the merger between Enova Corporation and Pacific Enterprise).

- 1) Planned gas transmission line outages which may affect SDG&E's local electric generation
- 2) Notification of gas curtailments on the SDG&E gas system
- 3) Unplanned outages on the SDG&E gas system immediately as they occur (e.g. wildfires)

To realize these reliability benefits, Mission Control may provide this electric transmission information confidentially but contemporaneously to the system operators for Cal ISO, Southern California Edison, Comision Federal de Electricidad in Mexico, Imperial Irrigation District and SoCalGas Gas Control. Moreover, SoCalGas Gas Control may provide gas transmission reliability information confidentially to SoCalGas Customer Services who in turn inform affected customers (in this case electric generators) at the same time Mission Control is notified. This information may be used to plan daily system operations of the San Diego gas transmission system. Planned outages of major electric transmission import power lines will cause increases (significant) in local electric generation gas demand. The sharing of this crucial operating information will enable Gas Control personnel to effectively forecast the expected increase in demand associated with an outage, have sufficient gas supplies available to meet increased gas demand, and to reschedule any planned gas system outages that would interfere with ability to meet demand. Additionally, the sharing of crucial operating information between Mission Control and Gas Control, such as planned outages of certain power plants or lines to power plants, would allow Gas Control to plan for shifts in location of demand expected to occur on system (and hence have sufficient gas supplies available at those locations). It also would allow Gas Control to plan gas system outages concurrently with electric system outages to gas fired electric generators to minimize overall system impacts. Importantly, the sharing of this crucial operating information would not create an undue competitive advantage for SoCalGas as an energy affiliate. Moreover, the sharing of this information provides not only enhanced, but essential reliability to both the electric and gas systems. It bears emphasis that the sharing of the types of information outlined above has no potential benefit other than reliability benefits both to SoCalGas' gas transmission systems as well as to SDG&E's electric transmission system. Accordingly, SDG&E views this information as "crucial operating information" within the meaning of Section 358.5(b)(8).

### **Scoping Meetings**

SDG&E will abide by the following:

(c) *Implementing tariffs*

1. *A TP must strictly enforce all tariff provisions relating to the sale or purchase of open access transmission service, if these tariff provisions do not permit the use of discretion.*

2. *A TP must apply 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 non-discriminatory manner, if these tariff provisions permit the use of discretion.*
3. *A TP must process all similar requests for transmission in the same manner and within the same period of time.*
4. *The TP must maintain a written log, available for Commission audit, detailing the circumstances and manner in which it exercised its discretion under any terms of the tariff. The information contained in this log is to be posted on the OASIS or Internet website within 24 hours of when a TP exercises its discretion under any terms of the tariff.*
5. *The TP may not, through its tariffs or otherwise, give preference to its Marketing or Energy Affiliate, over any other wholesale customer 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) Discounts

*Any offer of a discount for any transmission service made by the TP must be posted on the OASIS or Internet website contemporaneous with the time that the offer is contractually binding. The posting must include: the name of the customer involved in the discount and whether it is an affiliate or whether an affiliate is involved in the transaction, the rate offered; the maximum rate; the time period for which the discount would apply; the quantity of power or gas upon which the discount is based; the delivery points under the transaction; and any conditions or requirements applicable to the discount. The posting must remain on the OASIS or Internet website for 60 days from the date of posting.*

## **Procedures and Mechanisms for Compliance**

### **Tariff Log and Discounts**

#### **SDG&E**

Section §358.5(c)(4) specifies that the Transmission Provider maintain a written log, available for Commission audit, detailing the circumstances and manner in which it exercises its discretion under the terms of its tariff. SDG&E's tariffs that cover "the sale or purchase of open access transmission service," as well as "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)" are all provided by the CAISO. Since SDG&E does not have the capability to provide access to its transmission facilities (only the California ISO has this ability), SDG&E would not need to maintain a tariff discretion log under §358.5(c)(4).

#### **REX, CIP and Liberty**

Information about REX's Tariff Logs and Discounts can be found at:

<http://pipeline.kindermorgan.com/>

Information about Liberty's Tariff Logs and Discounts can be found at:

<http://www.latec.com/liberty/>

Information about CIP's Tariff Logs and Discounts can be found at:

<http://www.gasnom.com/ip/cameron/>

### III. APPENDIX A

#### A. Liberty - ProLiance FERC 2004 Compliance Plan

##### Background/Applicability

As described above, on May 16, 2005 ProLiance Transportation and Storage-Liberty, LLC (“PT&S”) acquired a 25% ownership interest in Liberty. SEI Storage Corp. (“SEI Storage”), Liberty’s current parent company (which is part of the SPS business unit), has retained a 75% ownership interest. SPS will have continued responsibility for the operation and development of the Liberty project storage facilities. Accordingly, the revised ownership of Liberty will have no material impact to the Liberty project location, operation, construction and maintenance or the services offered by Liberty under its proposed tariff. Liberty’s implementation procedures ensure that the ownership arrangement complies with the Interim Rules’ requirements. For example, because of the affiliate relationship between PT&S and ProLiance, Liberty treats ProLiance as a marketing affiliate (“MA”) and also treats other members of the ProLiance family as TPs, as appropriate. These relationships are detailed in the chart below:

<b>Company</b>	<b>Description</b>	<b>Relationship to Liberty</b>
Southern Indiana Gas & Electric Company dba Vectren Energy Delivery of Indiana, Inc.	Gas & Electric utility that makes off-system sales; FERC Standards of Conduct Written Procedures on file with FERC.	TP
ProLiance Energy, LLC	Energy marketer engaging in purchases and sales of natural gas and transportation capacity.	MA

##### **Procedures and Mechanisms for Compliance**

##### Separation of Functions (Employees, Facilities, IT)

Liberty, a TP, shares no employees with ProLiance, an MA, or ProLiance’s family of companies. No identified MA employees will serve as “transmission function employees” for Liberty, *i.e.*, no MAs identified will have involvement in the day-to-day duties or responsibilities for the planning, directing, organizing, or carrying out of transmission-related operations on the Liberty system. Liberty is functionally independent of, and segregated from, ProLiance geographically and operationally. Further, Liberty does not share computer systems nor does either entity’s computer systems allow access to the other’s computer systems.

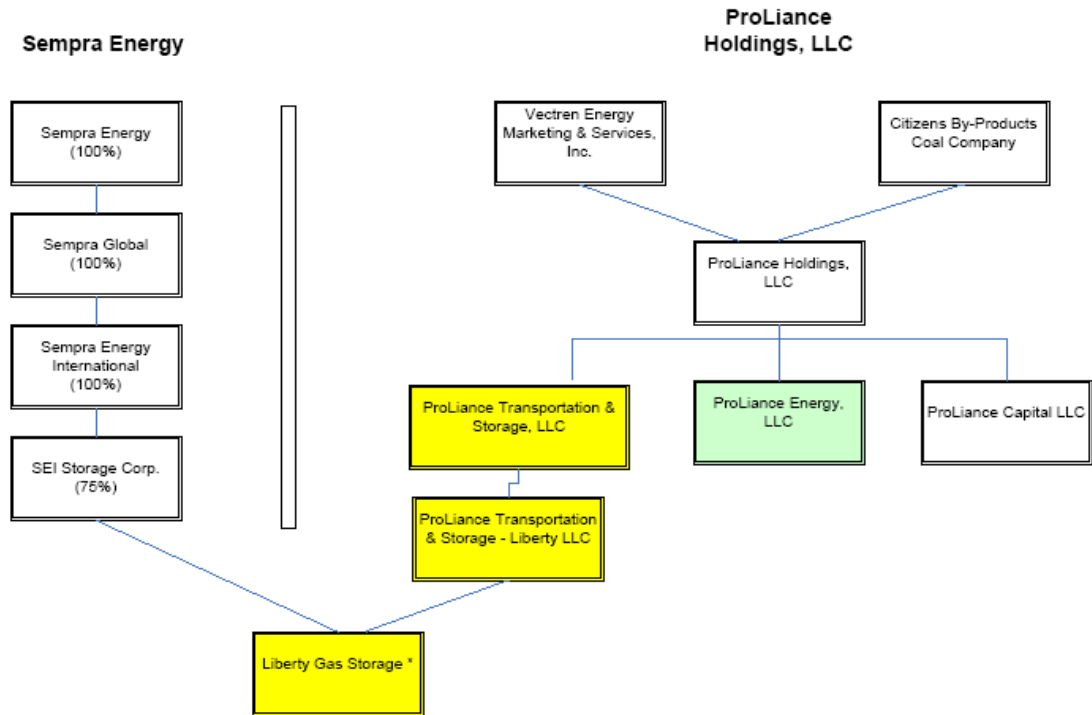
### **Shared Support Employees/Officers**

As noted above, Liberty, the Transmission Provider, shares no facilities and no employees with ProLiance. They function in a manner completely independent of one another, including with regard to shared support employees and officers at each entity. A limited number of officers and other employees of ProLiance may receive reports on, and thus may have access to information concerning, Liberty's financial matters and its system operations in general (not day-to-day operations). This is necessary for corporate governance purposes. ProLiance has represented to Sempra Pipelines & Storage that these employees with access to such reports would include only ProLiance's: (1) President, (2) Chief Operating Officer, (3) Vice President of Finance, (4) Director of Business Development, (5) Director of Pipelines and Storage, (6) Controller, and (7) in-house Counsel. According to ProLiance, none of these employees is involved in any of ProLiance's marketing or trading operations and all of these employees will strictly adhere to the Commission's anti-conduit requirements.

### **Training**

ProLiance has pledged that all employees of ProLiance will participate in annual training on FERC's affiliate rules and that they all will be fully informed on an annual basis as to the importance of strict adherence to the No Conduit rule, the requirement of independent functioning as between Liberty and ProLiance, and all other provisions of the Order.

## B. ProLiance- Organizational Chart



\* SEI Storage Corp. owns 75% interest and ProLiance Transportation and Storage-Liberty, LLC owns 25% interest in Liberty Gas Storage.

As of February 28, 2008