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1.0 PURPOSE

- 1.1 The purpose of this procedure is to describe how Nova Scotia Power Inc. will implement and maintain the requirements of its Standards of Conduct for the provision of wholesale electric transmission service.

2.0 SCOPE

- 2.1 This procedure is directly applicable to all staff identified on the Standards of Conduct Direct Applicability List.

3.0 REFERENCES

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| 3.1 | NSPI's Standards of Conduct | - (As approved by the UARB) |
| 3.2 | SoC OASIS Messaging | - Document No. OATT-SoC-002 |
| 3.3 | SoC Nonconformance Reporting | - Document No. OATT-SoC-003 |
| 3.4 | SoC Nonconformance Report (NCR) | - Document No. OATT-SoC-004 |
| 3.5 | SoC Corrective Action Status Log | - Document No. OATT-SoC-005 |
| 3.6 | SoC Direct Applicability List | - Document No. OATT-SoC-006 |
| 3.7 | SoC Audit Checklist | - (As developed by the auditor) |
| 3.8 | SoC Employee Training Record | - (Peoplesoft System) |

4.0 RESPONSIBILITIES

- 4.1 The Director, Control Centre Operations is responsible for the following activities:
- a) Appoint a Chief Compliance Officer
 - b) Direct the Chief Compliance Officer to ensure NSPI's adherence to the Standards of Conduct as outlined by the responsibilities identified below.
- 4.2 The Chief Compliance Officer is responsible for the following activities:
- a) Take overall responsibility for NSPI's adherence to the Standards of Conduct
 - b) Ensure that revised Standards of Conduct are posted on the OASIS

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- c) Ensure that all applicable staff are notified in the event of revisions to the Standards of Conduct
- d) Review and approve all documents associated with the implementation and maintenance of the Standards of Conduct
- e) Appoint trainers and approve all training packages
- f) Appoint auditors and approve all audit checklists
- g) Ensure that all staff on the Direct Applicability List receive the Standards of Conduct training
- h) Ensure that the training records are maintained
- i) Ensure that the Cause and Corrective Action have been identified for each Nonconformance Report (NCR) (ref. 3.4)
- j) Follow-up to ensure that the corrective actions have been implemented and are effective for each nonconformance
- k) Approve the Annual Audit Checklists
- l) Ensure the Annual Audits are conducted
- m) Ensure the Annual Audit Findings are appropriately addressed
- n) Ensure the Annual Audit Records are maintained

4.3 The Control Centre Administrative Assistant is responsible for the following activities:

- a) Maintain the Standards of Conduct Direct Applicability List
- b) Notify all applicable staff in the event of revisions to the Standards of Conduct
- c) Maintain a system of issuing all controlled documents, as revised and approved, to all applicable staff
- d) Schedule and make arrangements for the Standards of Conduct training
- e) Maintain the Standards of Conduct training records
- f) Inform the Chief Compliance Officer of each nonconformance reported
- g) Schedule the Annual Audits
- h) Maintain the Annual Audit records
- i) Maintain and update the Corrective Action Status Log
- j) Escalate outstanding Corrective Action requests
- k) Maintain the filing system of all records associated with the Standards of Conduct Quality Assurance Process

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- 4.4 Staff listed on the Standards of Conduct Direct Applicability List are responsible for the following activities:
- a) Review the Standards of Conduct for understanding and sign off on the document
 - b) Comply fully with the Standards of Conduct document
 - c) Upon notification of revision to the SoC, review and sign it and return a copy to the Control Centre Administrative Assistant within 15 working days
 - d) Report all deficiencies to your supervisor or manager, initiating Nonconformance Reports (ref. 3.4) as required
 - e) Complete any request for Corrective Action within 30 working days
- 4.5 Managers/Supervisors are responsible for the following activities:
- a) Ensure that all applicable staff are listed on the Standards of Conduct Direct Applicability List
 - b) Contact the Control Centre Administrative Assistant with the name and title of all new or transferred personnel to be included on the Direct Applicability List
 - c) Ensure that all staff on this list receives training
 - d) Create Nonconformance Reports as required, determining Cause, Corrective Action and Follow-up as appropriate
 - e) Forward all NCR's to the Control Centre Administrative Assistant for further processing
- 4.6 In addition to Section 4.5, System Control Manager/Supervisor is responsible for the following activities:
- a) Evaluate all NCR's to determine if they need to be posted on the OASIS
 - b) Ensure that nonconformances are posted on the OASIS if and when required
- 4.7 Trainers are responsible for the following activities:
- a) Develop the training package and have it approved by the Chief Compliance Officer
 - b) Deliver the required training to all staff listed on the Standards of Conduct Direct Applicability List
 - c) Submit the training attendance lists to the Control Centre Administrative Assistant

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- 4.8 Auditors are responsible for the following activities:
- a) Schedule and plan the audits to annually audit 20 % (minimum) of staff on the Direct Applicability List
 - b) Prepare the audit checklists to determine the understanding of responsibilities as well as adherence to the SoC
 - c) Have the checklists approved by the Chief Compliance Officer
 - d) Notify the person responsible for the area being audited of the intent to conduct an audit on a particular day and time
 - e) Conduct the audits and report all findings to the Chief Compliance Officer
 - f) Reference individuals, findings, evidence presented and verified records on the audit checklist
 - g) Review the findings with the person responsible for that area
 - h) In the event of finding deficiencies, initiate an NCR and report them to the Chief Compliance Officer
 - i) Forward all audit documentation including findings, summaries and completed checklists to the Control Centre Administrative Assistant for filing

5.0 DOCUMENT CONTROL

- 5.1 The Control Centre Administrative Assistant shall ensure that all new or revised implementation and maintenance documents are reviewed for adequacy and approved by the Chief Compliance Officer prior to release.
- 5.2 Upon approval of a revision to the Standards of Conduct document by the UARB, the Chief Compliance Officer shall ensure the revised Standards of Conduct is posted on the OASIS within two working days.
- 5.3 The Control Centre Administrative Assistant shall notify all staff listed on the Standards of Conduct Direct Applicability List (ref. 3.6) that there has been a revision to the Standards of Conduct and that it has been posted on the OASIS.
- 5.4 Upon notification of a revision to the Standards of Conduct, all staff listed on the Direct Applicability List shall review the document and sign and return a copy to the Control Centre Administrative Assistant within 15 working days. All old printed versions shall be destroyed.

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- 5.5 If signed copies are not received within 15 working days, the Control Centre Administrative Assistant shall investigate to determine why they have not been received. If after 5 additional working days the signed copy of the Standards of Conduct is not received, the Control Centre Administrative Assistant shall initiate a Nonconformance Report (ref. 3.4).
- 5.6 Once a year, as a minimum, the Control Centre Administrative Assistant in conjunction with the applicable Manager/Supervisor shall review the Standards of Conduct Direct Applicability List to ensure its accuracy and update it as required.
- 5.7 Managers/Supervisors shall contact the Control Centre Administrative Assistant with the name and title of all new or transferred personnel to be included on the Standards of Conduct Direct Applicability List.

6.0 TRAINING

- 6.1 All staff listed on the Standards of Conduct Direct Applicability List will be trained on the Standards of Conduct and this procedure with the intended outcome being that they know and understand their responsibilities.
- 6.2 The Control Centre Administrative Assistant shall make the training arrangements for all staff listed and will coordinate the training with the designated Trainer.
- 6.3 Training shall be done initially for all listed staff and for any new or transferred staff on a go forward basis. The effectiveness of training will be evaluated by way of internal audits and any deficiencies identified shall be documented and resolved per the Auditing section of this procedure.
- 6.4 The Trainer shall submit all training attendance lists to the Control Centre Administrative Assistant. The Control Centre Administrative Assistant shall ensure that each Employee Training Record (ref. 3.8) is updated accordingly.

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7.0 NONCONFORMANCE REPORTING

- 7.1 The Nonconformance Reporting document (ref. 3.3) gives examples of what shall be reported, however, staff are not limited to this list.
- 7.2 When a deficiency is identified, the individual identifying it shall document the deficiency on a Nonconformance Report (NCR) (ref. 3.4) and forward it to their supervisor/manager.
- 7.3 The supervisor/manager and/or the System Control supervisor/manager shall complete the Nonconformance Report as required, determining Cause, Corrective Action and Follow-up as appropriate and then forward the NCR to the Control Centre Administrative Assistant for further processing.
- 7.4 The System Control supervisor / manager shall review each NCR to determine if it needs to be posted on the OASIS and have it posted if required and then forward the NCR to the Control Centre Administrative Assistant for further processing.
- 7.5 The Control Centre Administrative Assistant shall inform the Chief Compliance Officer of each nonconformance reported.
- 7.6 The Chief Compliance Officer shall review all reported nonconformances.
- 7.7 As required the Chief Compliance Officer may involve appropriate specialists from functional areas (such as, Management, Engineering, Commercial Operations, Control Centre Operations, etc.) to ensure appropriate resolution of the nonconformance.
- 7.8 Corrective action will be undertaken for each nonconformance identified. The Chief Compliance Officer shall ensure that corrective actions are identified, implemented and effective for each nonconformance in accordance with the Corrective Action section below.

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8.0 CORRECTIVE ACTION

- 8.1 Upon receipt of a nonconformance, as necessary, the Control Centre Administrative Assistant shall forward a copy of the NCR to the appropriate Manager/Supervisor requesting that an investigation be initiated to determine the cause and to identify corrective action to prevent its recurrence. The Control Centre Administrative Assistant shall also forward a copy to the Chief Compliance Officer.
- 8.2 The Control Centre Administrative Assistant shall maintain and update the Corrective Action Status Log (ref. 3.5) for all nonconformances identified. If a corrective action request remains outstanding after 30 working days, the Control Centre Administrative Assistant shall contact the appropriate Manager/Supervisor responsible for the corrective action to determine why it has not been corrected.
- 8.3 If after 60 working days, the request is still outstanding, the Chief Compliance Officer shall review the situation with the Director Control Centre and any other necessary management personnel (up to the Chief Operating Officer of NSPI) as required to maintain control of all aspects of the Standards of Conduct.
- 8.4 The person requested to determine the cause of the nonconformance and take corrective action to prevent recurrence shall record all details of the cause and corrective action taken by completing the applicable sections of the NCR and return it to the Control Centre Administrative Assistant.
- 8.5 The Chief Compliance Officer verifies the implementation and effectiveness of the corrective action and documents such verification in the "Follow-up" section of the NCR. The time frame for this follow up is based on the type and severity of the NCR and is recorded on the Corrective Action Status Log. Follow up may be accomplished by way of task observations, discussions with personnel or suppliers/customers involved, future audits or document verification.
- 8.6 In the event the Chief Compliance Officer finds the corrective action ineffective, the NCR shall be returned as in 8.1 for further corrective action.

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9.0 AUDITING

- 9.1 Auditing will be conducted annually and will cover as a minimum 20% of the staff shown on the Standards of Conduct Direct Applicability List.
- 9.2 Within the first two months of the calendar year, the Control Centre Administrative Assistant in conjunction with the Internal Auditors will establish and prepare a yearly schedule for the Audits. Auditors cannot audit an area that they have direct responsibility for.
- 9.3 Audit Checklists (ref. 3.7) shall be prepared by the auditor and approved by the Chief Compliance Officer prior to conducting the audit and are created using only documented and approved procedures.
- 9.4 The auditor will notify the person(s) responsible for the area being audited of the intent to conduct an audit regarding the Standards of Conduct on a particular day and time.
- 9.5 The auditor will conduct the internal audit as per the agreed to time and location. Results obtained, objective evidence presented and records verified will be referenced on the Audit Checklist. In addition, all individuals who are involved in the audit will be noted on the checklist.
- 9.6 Upon completion of the audit, the auditor shall review the findings obtained with the person(s) responsible for the area that was audited. Situations, which warrant a nonconformance and therefore a corrective action, shall be identified and discussed at this time.
- 9.7 The auditor will prepare an audit summary and forward it to the Chief Compliance Officer. The auditor shall also forward the summary along with the completed Audit Checklist to the Control Centre Administrative Assistant for filing as a record of the audit.
- 9.8 In the event deficiencies were identified during the audit, the auditor shall also initiate a Nonconformance Report(s) and forward it to the Control Centre Administrative Assistant who in turn shall initiate the Corrective Action process per section 8.0 of this procedure.

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10.0 RECORDS

10.1 The Control Centre Administrative Assistant shall keep the following Records:

- a) Master copy of all documents
- b) Standards of Conduct Direct Applicability List
- c) Signed copies of the Standards of Conduct
- d) Record of annual Standards of Conduct Direct Applicability List review
- e) Training records and approved training package
- f) Nonconformance Reports
- g) Corrective Action Status Logs
- h) Audit schedules, checklists and summary of findings
- i) Log detailing circumstances and manner in which discretion was exercised

10.2 Unless otherwise specified, all records will be maintained for a period of not less than seven years and maintained at NSPI Ragged Lake Control Centre.

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