



Adelphia Gateway, LLC

FERC STANDARDS OF CONDUCT POLICY AND PROCEDURES

Effective: December 19, 2019

Revised: November 11, 2021

Adelphia Gateway, LLC (**Adelphia**), as an interstate natural gas pipeline, is a transmission provider and is required to comply with the Standards of Conduct for Transmission Providers (**Standards**) issued by the Federal Energy Regulatory Commission (**FERC** or the **Commission**). The Standards are found in 18 C.F.R. §358 and are included as Attachment 1 to this Policy and Procedures (**Policy**).

Adelphia is committed to compliance to the Standards and the following Policy was developed to implement the Standards and reflect that commitment.

Procedures

1. FERC Compliance Officer

Adelphia has appointed Richard Reich as its Chief Compliance Officer. Adelphia has posted the information on its electronic bulletin board informational posting (**EBB IP**) site. If an employee of Adelphia, its affiliates, or any customer or potential customer has any questions concerning this Policy or the Standards, or wants to report any departure from or non-compliance with this Policy or the Standards, they should contact the Chief Compliance Officer as follows:

By mail: 1415 Wyckoff Road; Wall, NJ 07719

By phone: 732-938-7890

By email: rreich@njresources.com

2. Non-Discrimination

Adelphia has trained all of its employees who are responsible for implementing Adelphia's FERC Gas tariff (**Tariff**) to strictly enforce all Tariff provisions that do not allow for discretion and are to apply any discretionary provisions in a not unduly discriminatory manner toward any customer or potential customer. In addition, Adelphia has trained all of its employees who are responsible for handling customer service requests to process all similar requests for transmission service in the same manner and within the same period of time and should not give any undue preference to any person or customer in matters relating to the sale or purchase of transmission service (including but not limited to, issues of price, curtailments, scheduling, allocation, ancillary services, or balancing).

If Adelphia grants any waivers authorized under its Tariff, then Adelphia will document such waivers in a log of all waivers granted under the Tariff. The log of all waivers will be maintained for a period of five (5) years from the date of such granted waiver. Any waivers granted to an

affiliate, will be posted on Adelphia's EBB IP within one (1) business day of the occurrence of such waiver.

3. The Independent Functioning Rule

Adelphia requires that its transmission function employees (as defined in the Standards) function independently of any marketing function employees (as defined in the Standards), except in emergency circumstances. Adelphia does not employ any marketing function employees. However Adelphia has affiliates that do employ marketing function employees.

- Adelphia transmission function employees are prohibited from engaging in marketing functions as defined in the Standards.
- Affiliates of Adelphia are prohibited from engaging in Adelphia transmission functions. Access to Adelphia's transmission functions work areas is restricted and security is maintained by card key access. Marketing function employees do not have key card access to this area. Marketing function employees are not allowed into the area in any way that differs from other Adelphia customers.
- Adelphia transmission function computer data is secured on different network drives and folders not accessible by marketing function employees based on user security protocols.
- There are circumstances where Adelphia transmission function employees communicate with marketing function employees, but disclosure of any transmission function information is prohibited unless it is already posted on the Adelphia EBB IP site.

4. The No-Conduit Rule

Adelphia trains any employees, contractors, officers and Board of Directors members, who may have access to non-public transmission function information, that they are prohibited from directly or indirectly disclosing such information to any marketing function employees of Adelphia or its affiliates, unless such information relates solely to a specific request for transmission service submitted by a marketing function employee.

Transmission function employees and marketing function employees share a wide area network as well as servers on which corporate support-related systems reside such as human resources applications, financial enterprise system, which supports finance, accounting, planning, forecasting, SOX controls and reporting functions), email and calendars. Access to any transmission function information on those shared resources is restricted by organizational roles and the use of access control such as user ID's and passwords to ensure that marketing function employees do not have access to transmission function information.

Adelphia's SCADA and EBB IP systems are not on shared servers. Access to those servers and systems are restricted by user ID and passwords.

5. The Transparency Rule

Contemporaneous disclosure

Adelphia will immediately post on its EBB IP any non-public information that is disclosed in violation of the prohibition set forth above. However, if such non-public information consists of customer information, critical energy infrastructure information or any other information that FERC has determined is to be subject to limited public dissemination, Adelphia will immediately post on its EBB IP a notice that the information was disclosed, but will not post the information itself.

Voluntary Consent

If a customer of Adelphia voluntarily allows Adelphia to share its non-public information with an Adelphia affiliate's marketing function employees, Adelphia will post on its EBB IP a notice that the customer has authorized such disclosure along with a statement that it did not provide any preferences, either operational or rate-related, in exchange for that voluntary consent.

Written Implementation procedure and policy

As required in the Standards, Adelphia will post the most recent approved version of its implementation procedure on its EBB IP site.

Additional EBB IP Postings

Adelphia has posted or as the case may be, will post on its EBB IP the following information within the time requirements outlined in §358 of the Standards:

- The names and addresses of all Adelphia affiliates that employ or retain marketing function employees.
- A complete list of any employee-staffed facilities that may be shared by any of Adelphia's transmission function employees and marketing function employees.
- Information concerning potential merger partners if they have affiliates that may employ or retain marketing function employees.
- The job titles and job descriptions of its transmission function employees.
- Notices, for a period of ninety (90) days, if any transmission function employee transfers to a position as a marketing function employee, or any marketing function employee transfers to a position as a transmission function employee. Such notice will include the name of the transferring employee, the respective titles held while performing each function and the effective date of the transfer.

Exclusions and Recording of Exclusions

Adelphia's transmission function employees and marketing function employees of its affiliates may exchange the following types of information pertaining to compliance with reliability standards approved by the Commission and information necessary to maintain or restore operation of the transmission system or generating units, or that may affect the dispatch of generating units. If such

information is exchanged, Adelphia will make and retain a contemporaneous record of all such exchanges except in emergency circumstances, in which case Adelphia will make such a record as soon as practicable after the fact. Adelphia will make the record available to the Commission upon request and retain such record for a period of five (5) years.

Posting of Waivers

Adelphia will post on its EBB IP notice of each waiver of a Tariff provision that it grants in favor of an affiliate, unless such waiver has been approved by the Commission. The posting will be made within one (1) business day of the act of a waiver. Adelphia will maintain a log of the acts of waiver granted in favor of an affiliate, and make it available to the Commission upon request. The records will be kept for a period of five (5) years from the date of each act of waiver. The Transmission function employee who authorizes the waiver will be responsible for ensuring that such waiver has been posted in accordance with the policy and included in the log.

6. Implementation Requirements

The Adelphia Chief Compliance Officer, or their designee, will distribute an electronic copy of these compliance procedures annually to all transmission function employees, marketing function employees, officers, Board of Directors members, supervisory employees, and any other employees or contractors likely to become privy to non-public transmission function information.

Training will be provided, on an annual basis, regarding this Policy and the Standards to all transmission function employees, marketing function employees, officers, Board of Directors members, supervisory employees, and any other employees or contractors who Adelphia believes may have access to non-public transmission function information. In addition, any new transmission function employees, marketing function employees, officers, supervisory employees, and any other employees or contractors likely to become privy to non-public transmission function information will be required to complete the training within the first thirty (30) days of their employment. Board of Directors will receive Standards of Conduct training annually. Each person who receives training will certify either electronically or in writing that they person has completed the training.

Books and Records

Adelphia's books of accounts and records are maintained separately from those of its marketing affiliates as required in the Standards.

Attachment 1

PART 358—STANDARDS OF CONDUCT

Contents

- §358.1 Applicability.
- §358.2 General principles.
- §358.3 Definitions.
- §358.4 Non-discrimination requirements.
- §358.5 Independent functioning rule.
- §358.6 No conduit rule.
- §358.7 Transparency rule.
- §358.8 Implementation requirements.

Authority: 15 U.S.C. 717-717w, 3301-3432; 16 U.S.C. 791-825r, 2601-2645; 31 U.S.C. 9701; 42 U.S.C. 7101-7352.

Source: 73 FR 63829, Oct. 27, 2008, unless otherwise noted.

§358.1 Applicability.

(a) This part applies to any interstate natural gas pipeline that transports gas for others pursuant to subparts B or G of part 284 of this chapter and conducts transmission transactions with an affiliate that engages in marketing functions.

(b) This part applies 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.

(c) This part does not apply to a public utility transmission provider that is a Commission-approved Independent System Operator (ISO) or Regional Transmission Organization (RTO). If a public utility transmission owner participates in a Commission-approved ISO or RTO and does not operate or control its transmission system and has no access to transmission function information, it may request a waiver from this part.

(d) A transmission provider may file a request for a waiver from all or some of the requirements of this part for good cause.

§358.2 General principles.

(a) As more fully described and implemented in subsequent sections of this part, a transmission provider must treat all transmission customers, affiliated and non-affiliated, on a not unduly discriminatory basis, and must not 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 transportation of natural gas or transmission of electric energy in interstate commerce, or with respect to the wholesale sale of natural gas or of electric energy in interstate commerce.

(b) As more fully described and implemented in subsequent sections of this part, a transmission provider's transmission function employees must function independently from its marketing function employees, except as permitted in this part or otherwise permitted by Commission order.

(c) As more fully described and implemented in subsequent sections of this part, a transmission provider and its employees, contractors, consultants and agents are prohibited from disclosing, or using a conduit to disclose, non-public transmission function information to the transmission provider's marketing function employees.

(d) As more fully described and implemented in subsequent sections of this part, a transmission provider must provide equal access to non-public transmission function information disclosed to marketing function employees to all its transmission customers, affiliated and non-affiliated, except as permitted in this part or otherwise permitted by Commission order.

[74 FR 54482, Oct. 22, 2009]

§358.3 Definitions.

(a) Affiliate of a specified entity means:

(1) Another person that controls, is controlled by or is under common control with, the specified entity. An affiliate includes a division of the specified entity that operates as a functional unit.

(2) For any exempt wholesale generator (as defined under §366.1 of this chapter), affiliate shall have the meaning set forth in §366.1 of this chapter, or any successor provision.

(3) "Control" as used in this definition means the direct or indirect authority, whether acting alone or in conjunction with others, to direct or cause to direct the management policies of an entity. A voting interest of 10 percent or more creates a rebuttable presumption of control.

(b) Internet Web site refers to the Internet location where an interstate natural gas pipeline or a public utility posts the information, by electronic means, required under this part 358.

(c) Marketing functions means:

(1) in the case of public utilities and their affiliates, the sale for resale in interstate commerce, or the submission of offers to sell in interstate commerce, of electric energy or capacity, demand response, virtual transactions, or financial or physical transmission rights, all as subject to an exclusion for bundled retail sales, including sales of electric energy made by providers of last resort (POLRs) acting in their POLR capacity; and

(2) in the case of interstate pipelines and their affiliates, the sale for resale in interstate commerce, or the submission of offers to sell in interstate commerce, natural gas, subject to the following exclusions:

- (i) Bundled retail sales,
- (ii) Incidental purchases or sales of natural gas to operate interstate natural gas pipeline transmission facilities,
- (iii) Sales of natural gas solely from a seller's own production,
- (iv) Sales of natural gas solely from a seller's own gathering or processing facilities, and
- (v) On-system sales by an intrastate natural gas pipeline, by a Hinshaw interstate pipeline exempt from the Natural Gas Act, by a local distribution company, or by a local distribution company operating under section 7(f) of the Natural Gas Act.

(d) Marketing function employee means an employee, contractor, consultant or agent of a transmission provider or of an affiliate of a transmission provider who actively and personally engages on a day-to-day basis in marketing functions.

(e) Open Access Same Time Information System or OASIS refers to the Internet location where a public utility posts the information required by part 37 of this chapter, and where it may also post the information required to be posted on its Internet Web site by this part 358.

(f) Transmission means electric transmission, network or point-to-point service, ancillary services or other methods of electric transmission, or the interconnection with jurisdictional transmission facilities, under part 35 of this chapter; and natural gas transportation, storage, exchange, backhaul, or displacement service provided pursuant to subparts B or G of part 284 of this chapter.

(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 or for information regarding transmission.

(h) Transmission functions means the planning, directing, organizing or carrying out of day-to-day transmission operations, including the granting and denying of transmission service requests.

(i) Transmission function employee means an employee, contractor, consultant or agent of a transmission provider who actively and personally engages on a day-to-day basis in transmission functions.

(j) Transmission function information means information relating to transmission functions.

(k) 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 subparts B or G of part 284 of this chapter.

(3) A transmission provider does not include a natural gas storage provider authorized to charge market-based rates.

(l) Transmission service means the provision of any transmission as defined in §358.3(f).

(m) Waiver means the determination by a transmission provider, if authorized by its tariff, to waive any provisions of its tariff for a given entity.

[73 FR 63829, Oct. 27, 2008, as amended at 74 FR 54482, Oct. 22, 2009]

§358.4 Non-discrimination requirements.

(a) A transmission provider must strictly enforce all tariff provisions relating to the sale or purchase of open access transmission service, if the tariff provisions do not permit the use of discretion.

(b) A transmission provider 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 not unduly discriminatory manner, if the tariff provisions permit the use of discretion.

(c) A transmission provider may not, through its 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).

(d) A transmission provider must process all similar requests for transmission in the same manner and within the same period of time.

§358.5 Independent functioning rule.

(a) General rule. Except as permitted in this part or otherwise permitted by Commission order, a transmission provider's transmission function employees must function independently of its marketing function employees.

(b) Separation of functions.

(1) A transmission provider is prohibited from permitting its marketing function employees to:

(i) Conduct transmission functions; or

(ii) Have access to the system control center or similar facilities used for transmission operations that differs in any way from the access available to other transmission customers.

(2) A transmission provider is prohibited from permitting its transmission function employees to conduct marketing functions.

§358.6 No conduit rule.

(a) A transmission provider is prohibited from using anyone as a conduit for the disclosure of non-public transmission function information to its marketing function employees.

(b) An employee, contractor, consultant or agent of a transmission provider, and an employee, contractor, consultant or agent of an affiliate of a transmission provider that is engaged in marketing functions, is prohibited from disclosing non-public transmission function information to any of the transmission provider's marketing function employees.

§358.7 Transparency rule.

(a) Contemporaneous disclosure.

(1) If a transmission provider discloses non-public transmission function information, other than information identified in paragraph (a)(2) of this section, in a manner contrary to the requirements of §358.6, the transmission provider must immediately post the information that was disclosed on its Internet Web site.

(2) If a transmission provider discloses, in a manner contrary to the requirements of §358.6, non-public transmission customer information, critical energy infrastructure information (CEII) as defined in §388.113(c)(1) of this chapter or any successor provision, or any other information that the Commission by law has determined is to be subject to limited dissemination, the transmission provider must immediately post notice on its Web site that the information was disclosed.

(b) Exclusion for specific transaction information. A transmission provider's transmission function employee may discuss with its marketing function employee a specific request for transmission service submitted by the marketing function employee. The transmission provider is not required to contemporaneously disclose information otherwise covered by §358.6 if the information relates solely to a marketing function employee's specific request for transmission service.

(c) Voluntary consent provision. A transmission customer may voluntarily consent, in writing, to allow the transmission provider to disclose the transmission customer's non-public information to the transmission provider's marketing function employees. If the transmission customer authorizes the transmission provider to disclose its information to marketing function employees, the transmission provider must post notice on its Internet Web site 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.

(d) Posting written procedures on the public Internet. A transmission provider must post on its Internet Web site current written procedures implementing the standards of conduct.

(e) Identification of affiliate information on the public Internet.

(1) A transmission provider must post on its Internet Web site the names and addresses of all its affiliates that employ or retain marketing function employees.

(2) A transmission provider must post on its Internet Web site a complete list of the employee-staffed facilities shared by any of the transmission provider's transmission function employees and marketing function employees. The list must include the types of facilities shared and the addresses of the facilities.

(3) The transmission provider must post information concerning potential merger partners as affiliates that may employ or retain marketing function employees, within seven days after the potential merger is announced.

(f) Identification of employee information on the public Internet.

(1) A transmission provider must post on its Internet Web site the job titles and job descriptions of its transmission function employees.

(2) A transmission provider must post a notice on its Internet Web site of any transfer of a transmission function employee to a position as a marketing function employee, or any transfer of a marketing function employee to a position as a transmission function employee. The information posted under this section must remain on its Internet Web site for 90 days. No such job transfer may be used as a means to circumvent any provision of this part. The information to be posted must include:

(i) The name of the transferring employee,

(ii) The respective titles held while performing each function (i.e., as a transmission function employee and as a marketing function employee), and

(iii) The effective date of the transfer.

(g) Timing and general requirements of postings on the public Internet.

(1) A transmission provider must update on its Internet Web site the information required by this part 358 within seven business days of any change, and post the date on which the information was updated. A public utility may also post the information required to be posted under part 358 on its OASIS, but is not required to do so.

(2) In the event an emergency, such as an earthquake, flood, fire or hurricane, severely disrupts a transmission provider's normal business operations, the posting requirements in this part may be suspended by the transmission provider. If the disruption lasts longer than one month, the transmission provider must so notify the Commission and may seek a further exemption from the posting requirements.

(3) All Internet Web site postings required by this part must be sufficiently prominent as to be readily accessible.

(h) Exclusion for and recordation of certain information exchanges.

(1) Notwithstanding the requirements of §§358.5(a) and 358.6, a transmission provider's transmission function employees and marketing function employees may exchange certain non-public transmission function information, as delineated in §358.7(h)(2), in which case the transmission provider must make and retain a contemporaneous record of all such exchanges except in emergency circumstances, in which case a record must be made of the exchange as soon as practicable after the fact. The transmission provider shall make the record available to the Commission upon request. The record may consist of hand-written or typed notes, electronic records such as e-mails and text messages, recorded telephone exchanges, and the like, and must be retained for a period of five years.

(2) The non-public information subject to the exclusion in §358.7(h)(1) is as follows:

(i) Information pertaining to compliance with Reliability Standards approved by the Commission, and

(ii) Information necessary to maintain or restore operation of the transmission system or generating units, or that may affect the dispatch of generating units.

(i) Posting of waivers. A transmission provider must post on its Internet Web site notice of each waiver of a tariff provision that it grants in favor of an affiliate, unless such waiver has been approved by the Commission. The posting must be made within one business day of the act of a waiver. The transmission provider must also maintain a log of the acts of waiver, and must make it available to the Commission upon request. The records must be kept for a period of five years from the date of each act of waiver.

§358.8 Implementation requirements.

(a) Effective date. A transmission provider must be in full compliance with the standards of conduct on the date it commences transmission transactions with an affiliate that engages in marketing functions.

(b) Compliance measures and written procedures.

(1) A transmission provider must implement measures to ensure that the requirements of §§358.5 and 358.6 are observed by its employees and by the employees of its affiliates.

(2) A transmission provider must distribute the written procedures referred to in §358.7(d) to all its transmission function employees, marketing function employees, officers, directors, supervisory employees, and any other employees likely to become privy to transmission function information.

(c) Training and compliance personnel.

(1) A transmission provider must provide annual training on the standards of conduct to all the employees listed in paragraph (b)(2) of this section. The transmission provider must provide training on the standards of conduct to new employees in the categories listed in paragraph

(b)(2) of this section, within the first 30 days of their employment. The transmission provider must require each employee who has taken the training to certify electronically or in writing that s/he has completed the training.

(2) A transmission provider must designate a chief compliance officer who will be responsible for standards of conduct compliance. The transmission provider must post the name of the chief compliance officer and provide his or her contact information on its Internet Web site.

(d) Books and records. A transmission provider 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 affiliates that employ or retain marketing function employees, and these must be available for Commission inspections.