

Written Compliance Procedures of Northwest Pipeline LLC
Pursuant to Order No. 717, et seq., and Part 358 of the FERC Regulations
April 2019
Table of Contents

<u>Section</u>	<u>Page</u>
I. Introduction and Definitions	1
II. Non-Discrimination Requirements	2
III. Independent Functioning	2
A. Transmission Function Employees	3
B. Marketing Function Employees	3
IV. No Conduit Rule	3
A. Access Control Procedures	3
B. Physical Access to Premises	4
V. Transparency Rule	5
A. Contemporaneous Disclosure	5
B. Exclusion for Specific Transaction Information	5
C. Voluntary Consent	5
D. Written Procedures	5
E. Identification of Affiliate Information	6
(1) Names and Addresses	6
(2) Shared Facilities	6
(3) Mergers	6
F. Identification of Employee Information	6
(1) Job Titles and Job Descriptions	6
(2) Employee Transfers	7
G. Timing and General Requirements of Posting	7
H. Exclusion for and Recordation of Certain Information Exchanges	7
I. Posting of Waivers	7
VI. Implementation Requirements	8
A. Compliance Measures and Written Procedures	8
B. Training	8
C. Compliance Officer	9
D. Books and Records	9

**Written Compliance Procedures of Northwest Pipeline LLC
Pursuant to Order Nos. 717, et seq., and Part 358 of the FERC Regulations**

I. Introduction and Definitions

In its Order Nos. 717, et seq., (“Order No. 717”) issued in Docket Nos. RM07-1-000, et al., “Standards of Conduct for Transmission Providers”, the Federal Energy Regulatory Commission (“FERC” or “Commission”) revised its Standards of Conduct regulations that govern the relationship between an interstate natural gas pipeline that transports gas for others pursuant to Subparts B or G of Part 284 of the Commission’s regulations (“Transmission Provider”) and its affiliate that engages in Marketing Functions and conducts Transmission Transactions with the Transmission Provider.

Northwest Pipeline LLC (“Northwest”) is a “Transmission Provider” as defined in section 358.3(k)(2) of the Standards of Conduct.

Definitions

The Standards of Conduct include, among others, the following defined terms. Other capitalized terms used but not defined herein shall have the meaning given such terms in section 358.3 of the Standards of Conduct.

- “Marketing Functions” is defined in section 358.3(c)(2) as 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.
- “Marketing Function Employee” is defined in section 358.3(d) as 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.
- “Non-public Transmission Function Information” is defined as all non-public Transmission Function Information related to the planning, directing, organizing or carrying out of day-to-day Northwest Transmission operations, including the granting and denying of Transmission Service requests, available Transmission capability, price, curtailments, storage and balancing, and non-public Transmission Customer information (including a customer’s Transmission request and accompanying information).

“Transmission” is defined in section 358.3(f) as natural gas transportation, storage, exchange, backhaul or displacement service provided pursuant to subpart B or G of part 284.

- “Transmission Functions” is defined in section 358.3(h) as the planning, directing, organizing or carrying out of day-to-day Transmission operations, including the granting and denying of Transmission service requests.
- “Transmission Function Employee” is defined in section 358.3(i) as an employee, contractor, consultant or agent of a Transmission Provider who actively and personally engages on a day-to-day basis in Transmission Functions.
- “Transmission Provider” is defined in section 358.3(k)(2) as any interstate natural gas pipeline that transports gas for others pursuant to subparts B or G of Part 284 of the Commission’s regulations

Section 358.7(d) of the Standards of Conduct requires that a Transmission Provider post on its Internet website current written procedures implementing the Standards of Conduct. The following procedures have been adopted by Northwest to comply with the Standards of Conduct promulgated pursuant to FERC Order No. 717.

II. Non-Discrimination Requirements

Northwest will comply with the requirements of section 358.4(a)-(d) of the Standards of Conduct.

Northwest will 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. The use of discretion will be done in a not unduly discriminatory manner for all of Northwest’s Transmission Customers. Northwest will not give undue preference to any person in matters relating to the sale or purchase of Transmission service. Northwest will process all similar requests for Transmission in the same manner and within the same period of time.

III. Independent Functioning

As required by section 358.5(a) of the Standards of Conduct, except as described in Parts III.A and V.H below, Northwest’s Transmission Function Employees shall function independently of its Marketing Function Employees.

As required by sections 358.5(b)(1)(i) and (2) of the Standards of Conduct, Marketing Function Employees will not conduct Transmission Functions and the Transmission Function Employees of Northwest will not conduct Marketing Functions.

As required by section 358.5(b)(1)(ii) of the Standards of Conduct, no Marketing Function Employee will have access to Northwest’s gas control facilities or similar facilities used for transmission operations that differs in any way from the access available to other Transmission Customers.

A. Transmission Function Employees

At this time, The Williams Companies, Inc. (“Williams”), the indirect parent company of Northwest, has determined that Northwest does not have any employees that actively and personally engage on a day-to-day basis in a Marketing Function (which is defined in the Standards of Conduct as excluding the activities set forth in section 358.3(c)(2)(i)-(v)) and, therefore, Northwest has no Marketing Function Employees. Based on the Commission’s guidance in Order No. 717, Williams has identified certain employees of Northwest and certain employees in functional areas of Williams that support Northwest and perform Transmission Functions who will be designated as Transmission Function Employees, and whose job titles and job descriptions will be posted on Northwest’s intranet website.

B. Marketing Function Employees

At this time, the Williams Marketing Function Employees that actively and personally engage on a day-to-day basis in Marketing Functions (which is defined as excluding the activities set forth in section 358.3(c)(2)(i)-(v)) are employed by Williams Energy Resources LLC.

IV. No Conduit Rule

Northwest will observe the no-conduit rule as required by section 358.6 of the Standards of Conduct. The no-conduit rule will apply to all Williams employees and to those of its subsidiaries and Affiliates, and to any contractor, consultant or agent of Williams and its subsidiaries and Affiliates.

A. Access Control Procedures

Transmission Function Employees of Northwest and Marketing Function Employees share telephone systems, electronic mail systems, SharePoint and related servers, cloud based applications such as Office 365, and the wide area network which connects Williams various locations, as well as access to servers on which corporate support-related systems reside, such as the human resources system, and the financial enterprise resource planning system (which supports finance, accounting, planning and forecasting, and reporting functions). Access to the systems that contain Transmission Function Information (including non-affiliated shipper information) is subject to strict access controls such as user ids and passwords or other appropriate information security requirements as necessary to maintain compliance with the Standards of Conduct.

SharePoint sites that may include Transmission Function Information are identified and labeled as potentially having non-public regulated data. These sites will contain a prominent warning regarding information sharing and no-conduit rules. Overall security access for MFEs is regularly reviewed by the Williams FERC Compliance Officer or their designee.

The remaining servers where Transmission Function Information is maintained are not shared with Marketing Function Employees. Access to those servers is restricted by

access control mechanisms (such as user ids, passwords, FERC deny flag for Windows servers, visibility restriction of FERC IT components in the access control system). Additionally, a firewall restricts MFE computer, internet and printer access and will deny-by-default access to any area that MFE access is not approved. IT procedures require Williams FERC Regulatory Compliance approval for firewall access changes.

Northwest follows the Williams Access Control process under which Northwest ensures that Marketing Function Employees do not have preferential computer access to non-public Transmission Function Information. Marketing Function Employee system access is regularly reviewed by the Williams FERC Compliance Officer. Any transfer by a Transmission Function Employee to a Marketing Function position is treated as a termination for access purposes, where old access is revoked prior to granting any new access.

MFE's certify monthly within the Williams compliance tracking system that they will immediately notify Williams FERC Regulatory Compliance if a disclosure of nonpublic Transmission Function Information was made to them.

B. Physical Access to Premises

The following employee-staffed facilities are shared by certain Transmission Function Employees for Northwest and Marketing Function Employees:

One Williams Center
Tulsa, Oklahoma

The Marketing Function Employees reside in an office space that is separated from the locations of the Transmission Function Employees for Northwest.

Northwest's main office facility is located in Salt Lake City, Utah. No Marketing Function Employees share this facility. A card key is required to access the office space that Transmission Function Employees of Northwest occupy in its main facilities in Salt Lake City. The card key access system prohibits access by a Marketing Function Employee to Northwest's Salt Lake City facilities. Marketing Function Employees, as with non-affiliated visitors, may enter Northwest's office space after registering with a receptionist and providing identification, but no card key is provided and they must be escorted by Northwest personnel.

Williams employees who have access to non-public Transmission Function Information are responsible for securing such information from unauthorized disclosure using properly secured information/processing systems and for similarly securing hard copy information.

V. Transparency Rule

A. Contemporaneous Disclosure

As required by section 358.7(a)(1) of the Standards of Conduct, in the event non-public Transmission Function Information, other than information identified in the next sentence of this paragraph, is disclosed in a manner contrary to the requirements of section 358.6 (the No-conduit Rule which is discussed in Part IV above), then Northwest will immediately post the information that was disclosed on its Internet website. As required by section 358.7(a)(2), in the event non-public Transmission Customer information, critical energy infrastructure information or any other information that the Commission by law has determined is to be subject to limited dissemination is disclosed in a manner contrary to the requirements of section 358.6, Northwest will immediately post notice on its Internet website that the information was disclosed. The requirement to contemporaneously disclose does not apply to information covered by section 358.7(b), relating to a specific request for Transmission service by a Marketing Function Employee, which is discussed in Part V.B below.

B. Exclusion for Specific Transaction Information

As permitted by section 358.7(b) of the Standards of Conduct, Northwest 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

As permitted by section 358.7(c) of the Standards of Conduct, in the event a Transmission Customer (whether affiliated or non-affiliated with Northwest) gives Northwest its voluntary consent, in writing, to allow Northwest to disclose the Transmission Customer's non-public information to Williams Marketing Function Employees, then Northwest will post notice on Northwest's Internet website of the Transmission Customer's consent along with a statement that Northwest did not provide any preferences, either operational or rate-related, in exchange for that voluntary consent.

D. Written Procedures

As required by section 358.7(d) of the Standards of Conduct, Northwest will post on its Internet website the current procedures it has implemented to ensure compliance with the Standards of Conduct.

E. Identification of Affiliate Information

(1) Names and Addresses

As required by section 358.7(e)(1) of the Standards of Conduct, Northwest identifies on its Internet website all of its Affiliates that employ or retain Marketing Function Employees.

The Corporate Secretary for Williams will notify the Williams FERC Compliance Officer of any company that is being formed or acquired by any entity of Williams so that a determination can be made as to whether such company employs Marketing Function Employees, requiring an update to the posted Affiliate information. In addition, the Corporate Secretary will notify the Williams FERC Compliance Officer of any company that employs Marketing Function Employees that is being sold or dissolved so that the posted Affiliate information can be updated accordingly.

(2) Shared Facilities

As required by section 358.7(e)(2) of the Standards of Conduct, Northwest will post on its Internet website a complete list of the employee-staffed facilities shared by any of Northwest's Transmission Function Employees and any Marketing Function Employees, including the types of facilities shared and the addresses of the facilities.

The Williams FERC Compliance Officer will be responsible for making sure that the posted information is updated within seven business days of any change.

(3) Mergers

As required by section 358.7(e)(3) of the Standards of Conduct, Northwest will 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.

The Corporate Secretary of Williams will notify the Williams FERC Compliance Officer at the same time a potential merger is publicly announced. The Williams FERC Compliance Officer will then notify Northwest to post the required information.

F. Identification of Employee Information

1) Job Titles and Job Descriptions

As required by section 358.7(f)(1) of the Standards of Conduct, Northwest will post on its Internet website the job titles and job descriptions of its Transmission Function Employees.

2) Employee Transfers

As required by section 358.7(f)(2) of the Standards of Conduct, notice 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 will be posted on Northwest's Internet website. The information to be posted will include the name of the transferring employee, the respective titles held while performing each function and the effective date of the transfer. The information will be posted for 90 days.

G. Timing and General Requirements of Postings

Northwest will update on its Internet website the information required by Part 358 within seven business days of any change unless a different posting time frame is specified by the regulations, and will post the date on which the information was updated. All Internet website postings required by Part 358 will be sufficiently prominent as to be readily accessible.

In the event an emergency, such as an earthquake, flood, fire or hurricane, severely disrupts Northwest's normal business operations, the posting requirements under Part 358 may be suspended by Northwest. If the disruption lasts longer than one month, Northwest will notify the Commission and may seek a further exemption from the posting requirements.

H. Exclusion for and recordation of certain information exchanges

As permitted by section 358.7(h) of the Standards of Conduct, notwithstanding the requirements of sections 358.5(a) and 358.6 (the Independent Functioning and No-conduit Rule, respectively, as discussed in Parts III and IV, respectively, above) Northwest Transmission Function Employees and Williams Marketing Function Employees may exchange certain non-public Transmission Function Information necessary to maintain or restore operation of the Transmission system. Northwest will make and retain a contemporaneous record of all such exchanges except in emergency circumstances. In the case of an emergency, Northwest will make a record of the exchange as soon as practicable after the fact. Northwest shall make the record available to the Commission upon request. Northwest's Gas Control and Marketing Services are responsible for ensuring that records of any information exchange under this exclusion are prepared and maintained for a period of five years.

I. Posting of Waivers

As required by section 358.7(i) of the Standards of Conduct, Northwest will post on its Internet website 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 business day of the act of a waiver. Northwest will also 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 years from the date of each act of waiver. Northwest Marketing Services is responsible for ensuring that each waiver of a tariff provision that Northwest grants in favor of an Affiliate is posted within one business day of the act of a waiver and is included in the log.

VI. Implementation Requirements

A. Compliance Measures and Written Procedures

As required by section 358.8(b)(1) and (2) of the Standards of Conduct, Northwest has implemented procedures to ensure that the requirements of sections 358.5 and 358.6 are observed by its employees and by the employees of its Affiliates, which are described in Parts III and IV above. The Williams FERC Compliance Officer will distribute an electronic copy of these compliance procedures to all Transmission Function Employees, Marketing Function Employees and all other officers, directors, supervisory employees, and any other employees likely to become privy to Transmission Function Information. In addition, Williams has adopted a Policy addressing the Standards of Conduct Compliance Plan, which states, among other things, the following: “Employees who violate any provision of this policy will be subject to disciplinary action, up to and including termination. For any disciplinary action taken, there will be a notation of the same placed in the employee’s personnel file that will reflect the incident and the disciplinary action taken.”

B. Training

Williams will provide annual training on the Standards of Conduct for all Transmission Function Employees of Northwest and all other officers, directors, supervisory employees and any other employees likely to become privy to Northwest’s Transmission Function Information. All trained employees will certify that they have been trained on the Standards of Conduct as required by section 358.8(c)(1) of the Standards of Conduct. Those employees that are on disability or administrative leave will not be trained unless and until they resume full time active employment in which case they will be trained within the time frame for new hires.

The Standards of Conduct training will primarily be computer based, and provided through the Williams Workday system. Completion of the training by each employee will be tracked and monitored by the Williams FERC Compliance Officer or her designee.

Newly hired Transmission Function Employees of Northwest, Marketing Function Employees, officers, directors, supervisory employees, and any other newly hired employees likely to become privy to Transmission Function Information will complete the training within 30 days of the effective date of their employment.

Employees or Contractors who have access to any Northwest non-public Transmission Function Information through a FERC identified component must complete the Standards of Conduct training module within 30 days of their start date or must complete the Standards of Conduct training module within 30 days of being

granted access to the FERC identified component. A “FERC identified component” is any Northwest component (application, application’s sub-components, system or database) that contains any non-public Transmission Function Information.

Williams’ Board of Directors will receive Standards of Conduct training at one of the designated meetings for the Board.

C. Compliance Officer

As required by section 358.8(c)(2) of the Standards of Conduct, Williams has designated Allison Jenkins, a corporate employee, as the Williams FERC Compliance Officer. The contact information for Ms. Jenkins is set forth below and is posted on Northwest’s Internet website:

Allison Jenkins
2800 Post Oak Blvd
Level 12
Houston, Texas 77056
713-215-2238-office phone
281-881-1660-cell phone

In certain instances, the Williams FERC Compliance Officer may designate others as having responsibility for certain functions, such as IT-Security for computer access control.

Employees of Northwest can report infractions of the Standards of Conduct anonymously to the Williams FERC Compliance Officer, by calling the Williams Action Line at 1-800-324-3606 or online at www.williams.ethicspoint.com.

D. Books and Records

Northwest will maintain its books of accounts and records separately from those Affiliates that employ or retain Marketing Function Employees as required by section 358.8(d) of the Standards of Conduct.