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1 Applicability of RM07-1¹ (F.E.R.C. Order No. 717) to Chandeaur Pipe Line Company/Sabine Pipe Line LLC

1.1 *Chandeaur Pipe Line Company*

(“Chandeaur”), a wholly-owned subsidiary of both Chevron Pipe Line Company and Chevron Corporation (Chevron), is an interstate natural gas pipeline providing open access transportation in the Gulf of Mexico on or across the OCS to points onshore in accordance with a blanket certificate for transportation issued by the Commission in FERC Order No. 509². Chandeaur transports gas for others pursuant to subpart G of Part 284 of Chapter I of Title 18 of the Code of Federal Regulations. As such, Chandeaur meets the definition of a “Transmission Provider” as set forth in 18 C.F.R. §358.3(k). Chandeaur conducts transmission transactions with an affiliate that engages in marketing functions as such are defined³ in The Standards of Conduct for Transmission Providers⁴ (“The Standards”). Consequently, Chandeaur must conduct its business in accordance with the “General Principles” set forth herein.

1.2 *Sabine Pipe Line LLC*

(“Sabine”), a wholly-owned subsidiary of both Chevron Pipe Line Company and Chevron Corporation (Chevron) is an interstate natural gas pipeline that transports gas for others pursuant to subparts B or G of Part 284 of Chapter I of Title 18 of the Code of Federal Regulations. As such, Sabine meets the definition of a “Transmission Provider” as set forth in 18 C.F.R. §358.3(k). Sabine conducts transmission transactions with an affiliate that engages in marketing functions, as such are defined in The Standards. Consequently, Sabine must conduct its transportation transactions in accordance with the “General Principles” set forth herein.

¹ 125 FERC ¶ 61,064

² Interpretation of, and Regulations Under, Section 5 of the Outer Continental Shelf Lands Act Governing Transportation of Natural Gas by Interstate Natural Gas Pipelines or on Across the Outer Continental Shelf, Order No. 509, 53 FR 50925 (Dec. 19, 1988), FERC Stats. & Regs. 30,842 (1988), Order on Rehearing, Order No. 509-A, 54 FR 8301 (Feb. 28, 1989), FERC Stats. & Regs. 30,848 (1989).

³ 18 C.F.R. 358.3(c)(2)

⁴ Standards of Conduct for Transmission Providers, Order no. 717, 73FR 63796 (October 16, 2008)



2 GENERAL PRINCIPLES

2.1 *The Chevron Way*

The behaviors of all Chandeaur/Sabine employees are governed by expectations set out in [The Chevron Way](#) which explains Chevron's vision and values. This document establishes a common understanding not only for those who work for Chevron, but for all who interact with Chevron.

2.2 *Chevron's Corporate Policies*

The conduct of Chevron's business is governed by Chevron Corporation corporate policies which are based on the company's business objectives and the high ethical standards that have always guided Chevron activities. Violation of Chevron policies can result in disciplinary action up to and including termination.

2.3 *Chevron's Business Conduct and Ethics Code*

Chandeaur/Sabine employees are required to read and acknowledge that they will abide by Chevron's [Business Conduct and Ethics Code](#) (BC&E Code). This code is reviewed, updated and redeployed periodically. The most recent update was deployed in 2008.

2.4 *Chevron's "Hotline"*

Chevron maintains a "[Hotline](#)" to assist its employees in reporting questionable conduct. It is operated offsite by an independent agent. It is available 24 hours a day by the internet, multilingual phone line, or letter.

2.5 *Chevron Pipeline Company Procedures*

2.5.1 *Operational Excellence*

Operational Excellence is a corporate system used to manage all aspects of Chevron's business to achieve world-class performance. This Operational Excellence process is based on a framework of expectations, including the expectation for "Compliance Assurance".



2.5.1.1 Compliance Assurance

The expectation for Compliance Assurance is an integral plank in the framework of Chevron's Operational Excellence system. This expectation has been adopted by Chevron Pipe Line Company ("CPL") as "Tenet Number Twelve" in its Operational Excellence program. This tenet charges employees to comply and verify conformance with company policy and all applicable laws and regulations; apply responsible standards where laws and regulations do not exist. It enables employees and contractors to understand their responsibilities.

2.5.1.2 Compliance Resolution (HES-110)

CPL, immediate parent and operator of Chandeleur/Sabine, utilizes a compliance resolution procedure which is documented as HES-110. HES-110 defines the process by which employees and contractors can report compliance concerns without fear of retaliation. This process establishes a mechanism by which reported potential non-compliance issues are investigated, resolved and documented and provides a form (CPL-692) for the reporting of compliance concerns.

Chandeleur/Sabine conduct regular, targeted training sessions on the necessity of compliance with The Standards. This training stresses the applicability of both Chevron's corporate compliance initiatives as well as CPL's compliance resolution process to the unique business of Chandeleur/Sabine. This overarching network of compliance initiatives, creates the effect of an "umbrella" of compliance expectations which forms the groundwork for the "culture of compliance" that is anticipated by the Federal Energy Regulatory Commission (FERC) and Chevron management.

Chandeleur/Sabine personnel are trained to direct questions regarding compliance with The Standards to Chandeleur/Sabine's compliance staff or applicable management personnel. Chandeleur/Sabine personnel are instructed to handle compliance concerns by bringing them directly to compliance staff, following the procedures outlined by CPL HES-110 or by contacting the Chevron Hotline.

Chandeleur/Sabine (through CPL) include appropriate compliance expectations in the performance objectives of appropriate personnel.

As further detailed herein:

Chandeleur/Sabine management has adopted practices which require Chandeleur/Sabine to treat all transmission customers, affiliated and non-affiliated, on a not unduly discriminatory basis. Chandeleur/Sabine management has adopted practices to prevent undue preference or advantage to any person. Chandeleur/Sabine management has adopted practices to prevent undue prejudice or disadvantage with respect to the transportation or wholesale sale of natural gas in interstate commerce.



Chandeaur/Sabine employ no personnel directly. All pipeline transmission services are performed under operation and maintenance agreements with Chevron Pipe Line Company, Chandeaur/Sabine parent company. In accordance with Federal Energy Regulatory Commission directives, however, Chandeaur and Sabine consider Transmission Function Employee (TFE or TFEs) to include not only employees, but contractors, consultants or agents of a Transmission Provider who actively and personally engages on a day-to-day basis in transmission functions. For the purposes of these written procedures, all such individuals will be referred to simply as “employees” or “personnel”.

Chevron Pipe Line Company employs no Marketing Function Employees (“MFE or MFEs”), as further discussed in subsequent sections of these procedures.



3 NON-DISCRIMINATION REQUIREMENTS

Chandeaur/Sabine management have adopted practices which require TFEs to:

1. Enforce all tariff provisions that do not permit the use of discretion;
2. Apply tariff provisions in a fair and impartial manner that treats customers in a not unduly discriminatory manner if such tariff provisions permit the use of discretion;
3. Avoid undue preference, through tariffs, or otherwise;
4. Process all similar requests for transmission in the same manner and within the same period of time.

Chandeaur/Sabine conduct regular, targeted training sessions on tariff compliance. Chandeaur/Sabine include tariff-based processes and procedures as potential review areas for internal compliance reviews. Chandeaur/Sabine, through CPL, include tariff compliance expectations in the performance objectives of appropriate personnel.



4 INDEPENDENT FUNCTIONING RULE

Chevron entities operate under a “functional structure” referred to as reporting units. Within this functional grouping, lies a sub-classification of “business units” whose authorities may be and frequently are defined by operational latitude which is conferred via a Chevron process known as “Delegation of Authority” (“DOA”). DOA is the formal transfer of different authority types, consistent with the philosophy of decentralized decision making and accountability. DOA is defined by Chevron corporate policy. Chevron Policy 190 delegates broad authority to the “Reporting Units” to transact business subject to direction of the Chevron Executive Committee which reports directly to the Chevron Board of Directors.

Marketing functions, as such are defined in The Standards, are governed by Chevron Policy 190D – Authority limits for Purchase/Sale/Trading of Commodities and Financial Derivatives Transactions. No such authority is held by or delegated to individuals designated as TFEs. Such functions are delegated only to Senior Management or to personnel working in non-CPL business units of Chevron who act on behalf of the various legal entities whose articles of incorporation, corporate by-laws, or other governance documents include the need to conduct such functions. The activities of such entities are not conducted within nor are such business units assigned to CPL whose primary business activity within Chevron is the operation of pipelines. Chandeleur/Sabine TFEs are prohibited from conducting marketing functions and are not provided with the necessary Delegations of Authority by Chevron to do so.

4.1 *Separation of functions*

Chandeleur/Sabine personnel with day-to-day responsibilities for planning, directing, organizing or carrying out transmission-related operations function independently from Marketing Function Employees (“MFE” or “MFEs”). Transmission-related operations are directed by the Commercial Manager of CPL’s “Gulf Coast Gas/Gas Liquids Asset Management Team” and Chandeleur/Sabine Field Team Leaders who direct the operations employees. These employees direct a team of individuals that creates the “core” of Chandeleur/Sabine TFEs. No MFEs are members of this team.

Chandeleur/Sabine personnel are physically located in facilities separate and apart from Chandeleur/ Sabine MFEs. No MFEs have been granted the authorization to access work areas occupied by Chandeleur/Sabine TFEs and no MFEs have management authority over Chandeleur/Sabine TFEs.

4.2 *MFE Access to system control center*

Access to the Chandeleur/Sabine control center is restricted through the use of elevated levels of security provided by electronic card-keys. Non-CPL employees must undergo a



vigorous “vetting” process prior to obtaining the appropriate clearance. Such vetting process includes procedures to eliminate from eligibility any employee designated as an MFE .

4.3 MFE Access to transmission facilities

Access to Chandeaur/Sabine transmission facilities is restricted through the use of elevated levels of security provided by electronic card-keys, and enforced in critical locations, by security personnel.

Persons outside of Chevron employees must undergo a “vetting” process prior to obtaining the appropriate clearance. Chandeaur/Sabine conduct periodic reviews of access authorizations in order to detect inappropriate authorizations to transmission facilities. Such vetting process includes procedures to eliminate from eligibility any employee designated as an MFE .

Chandeaur/Sabine conduct regular, targeted training sessions on independent functioning. This training is designed to include both principles of and practical examples of independent functioning. Chandeaur/Sabine include independent functioning expectations as potential review areas for internal compliance reviews. Chandeaur/Sabine (through CPL) include independent functioning expectations in the performance objectives of appropriate personnel.

4.4 Responsibilities of TFEs

As previously mentioned in this section, Chandeaur/Sabine TFEs are prohibited from conducting marketing functions as they are not provided with the necessary Delegations of Authority within Chevron to do so.

4.5 Maintaining independence during the employee transfer process

Chandeaur/Sabine have adopted practices to ensure that, in situations where Chandeaur/Sabine TFEs seek to transfer out of Chevron Pipe Line into business units whose Delegation of Authority authorizes Marketing functions, close contact is established between the affected employee, the employee’s supervisory personnel and the Chandeaur/Sabine Chief Compliance Officer so as to ensure continued compliance with the expectations of The Standards during the posting and placement process.

4.6 “Cooling off” period for transferring employees

Should an employee, currently designated as a “TFE” be selected as the successful candidate for a position designated as an “MFE” position, an appropriate “cooling off



period” is arranged, based on case-specific circumstances, so that no “Transmission Function Information”, as such is defined in The Standards, will be transferred with the employee as the migration to the new position takes place.



Last updated on: 11/25/2008



5 NO CONDUIT RULE

Chevron embraces corporate policy directly supportive of the expectations of The Standards. Provisions of Chevron Policy 575, Information Protection, contain directives to employees which are directly applicable to the No Conduit concept of The Standards.

All employees, officers and directors of Chevron who are subject to The Standards have demonstrated completion of training on Corporate Policy 575, Information Protection. Employees are required to complete awareness training within the first thirty (30) days of hire. Key points of that policy correlate directly with the expectation of these Standards of Conduct such as:

- Select and use a strong password for computer-based files and documents;
- Do not share personal user IDs or PINS;
- Lock or log off workstations when leaving the work area, even for a few minutes;
- Use network drives safely by understanding who has access to them and then managing the information stored there;
- Recognize and properly handle sensitive information in accordance with Policy 575. Exercise caution and good judgment in discussing any phase of the Company's business with others, including fellow employees, so that sensitive information will not be released to outsiders or unnecessarily disseminated within the Company. Secure the files and reports as needed;
- Report violations of Policy 575 or potential problems to management

5.1 ***Access to Transmission Function Information and Data Storage***

All Chandeleur/Sabine employees, officers, and directors are required to restrict access to non-public transmission function information, transmission customer data and Critical Energy Infrastructure Information (CEII). The use of appropriate measures, such as locked file rooms, locked file drawers and password protection for computer files is required and is not optional.

TFEs must complete training in Chevron's Information Protection Policy (Policy 575) prior to gaining access to Chandeleur/Sabine data stored in electronic format on Chevron systems or in Chevron hosted applications and databases. Employees hired to fill TFE positions are personally escorted while on CPL property until the training requirement for Policy 575 has been met.



Chandeaur/Sabine employees are coached, by management and in training programs, to restrict participation in conversations regarding issues of Chandeaur/Sabine only to other employees who directly support Chandeaur/Sabine.

Chandeaur/Sabine procedures require that any employee who supports Chandeaur/Sabine is required to submit to compliance staff for review, an agenda prior to conducting a meeting with an MFE.

TFEs are required to label all data and communications specific to Chandeaur/Sabine with scripted text designed to highlight the fact that the information should not be further disseminated to MFEs.

Fax machines, utilized by Chandeaur/Sabine personnel computer are located within secured areas not accessible to MFEs.

Phone messages received by Chevron phone systems are restricted by PIN codes such that no employee is capable of accessing messages intended for another party. Employees are prohibited from sharing their PIN code with any other party.

Chandeaur/Sabine employees are provided, in many locations with multi-functional printers which allow for the processing of print jobs in a “privacy mode” accessible only with appropriate PIN code. Again, employees are prohibited from sharing PIN codes with any other party.

5.1.1 Electronic storage of information:

Chandeaur/Sabine data is stored on shared network drives that utilize a concept of hierarchical folder structure as the basis for data storage. Drive and folder structures loosely replicate corporate reporting unit or business unit structures as they have been previously explained in preceding portions of this document. This replication of structure with its associated levels of predetermined User access prevents MFEs from gaining access to Transmission Function Information stored in accordance with established policy. Access to shared drive folders as well as databases containing Transmission Function Information is reviewed for appropriate User Access on a periodic basis in accordance with established policy.

5.1.2 Physical data

Chandeaur/Sabine files, desktop computers, etc. containing transmission information or non-affiliated shipper information or CEII are housed in locations which are separate from and inaccessible to those of any MFE, as previously explained in this document.



Chandeleur/Sabine conduct regular, targeted training sessions on the “No Conduit” concept of The Standards. This training is designed to include both principles of and practical examples of the “No Conduit Rule”.

Chandeleur/Sabine include no-conduit expectations as potential review areas for internal compliance reviews.

Chandeleur/Sabine (through Chevron Pipe Line Company (CPL)) include no-conduit expectations in the performance objectives of appropriate personnel.



Last updated on: 11/25/2008



6 TRANSPARENCY RULE

6.1 *Disclosure Prohibitions*

The Standards prohibit Chandeaur/Sabine from disclosing non-public transmission function information and provide that any such information (excluding customer data or Critical Energy Infrastructure Information) disclosed in a manner contrary to that set out in The Standards be posted immediately on Chandeaur/Sabine's internet website (www.chandeaur.com or www.sabinepipeline.com). Chandeaur/Sabine must immediately post a notice of disclosure on Chandeaur/Sabine's internet website should Chandeaur/Sabine disclose customer data or Critical Energy Infrastructure Information, but Chandeaur/Sabine, in this event, is not required to post the actual information disclosed.

Chandeaur/Sabine compliance personnel conduct regular, targeted training sessions on the Transparency Rule in accordance with the guidelines set forth herein. This training is designed to include both principles of and practical examples of the "Transparency Rule".

Chandeaur/Sabine include Transparency Rule expectations as potential review areas for internal compliance reviews. Chandeaur/Sabine (through Chevron Pipe Line Company (CPL)) include Transparency Rule expectations in the performance objectives of appropriate personnel.

6.2 *Procedures to prevent inappropriate access to IT applications storing Transmission Function Information*

Chandeaur/Sabine personnel have created a (non-exhaustive) listing of keywords commonly associated with transmission functions to be used as examples and as an aid in the identification of any database/application which may contain Transmission Function Information of Chandeaur/Sabine.

Utilizing this set of keywords and other methods (such as geographical clues) as examples, Chandeaur/Sabine IT and compliance personnel have interviewed existing IT Application Owners and Information Stewards to identify and memorialize CPL-supported applications which contain Transmission Function Information. Once identified, these applications undergo annual review for the following criteria:

- Are all user authorizations appropriate, using Chevron White Pages (electronic employee directory) employee assignment information as the determining criteria for analysis?



- Are the specific levels of access assigned to each individual user appropriate for that user's job function, using the Chevron organizational charts as the determining criteria for analysis?
- Are the documented procedures for granting access still current?

Any IT applications brought into use subsequent to the initial review, described above, are analyzed during the design phase. Any such IT applications containing Transmission Function Information are made subject to an annual review process identical to that explained above.

6.3 Procedures for documenting Voluntary Consent

Chandeaur/Sabine is prohibited from providing any operational or rate-related preferences to any party in exchange for the release of transmission customer information to an MFE. Chandeaur/Sabine personnel are prohibited from providing to MFEs any information obtained from a transmission customer unless Chandeaur/Sabine has received, in writing, a request from the transmission customer to do so. In cases where such a written request has been received by Chandeaur/Sabine, Chandeaur/Sabine must document the authorization of the requesting customer and post notice on its internet website of such authorization and consent, along with a statement that Chandeaur/Sabine did not provide any preferences, either operational or rate-related in exchange for the voluntary consent of the requesting transmission customer.

Chandeaur/Sabine compliance personnel conduct regular, targeted training sessions on the Transparency Rule, which include specific mention of the principle of Voluntary Consent.

Chandeaur/Sabine (through Chevron Pipe Line Company (CPL)) include expectations related to the Voluntary Consent principle in the performance objectives of appropriate personnel.

6.4 Written Procedures

The written procedures of Chandeaur/Sabine have been published and remain available in accordance with current standards⁵ at the following web addresses:

www.Chandeaur.com

www.SabinePipeLine.com

⁵ North American Energy Standards Board



Chandeaur/Sabine compliance staff is responsible for updating Chandeaur/Sabine written procedures as required to reflect changing business conditions, to account for revisions in company procedures, to comport with evolving corporate policy and to comply with current regulation.

Chandeaur/Sabine compliance personnel conduct regular, targeted training sessions which include training on the requirement to maintain and follow written procedures for compliance with The Standards. This training is designed to include reference to and extracts from Chandeaur/Sabine written procedures.

Chandeaur/Sabine utilize these written procedures as guidance to employees and as a basis for internal compliance reviews. Chandeaur/Sabine (through Chevron Pipe Line Company (CPL)) include expectations for compliance with Chandeaur/Sabine written procedures in the performance objectives of appropriate personnel.

6.5 Identification of Affiliate information on the public Internet

6.5.1 Affiliates employing or retaining MFEs

Chevron entities operate under a “functional structure” referred to as business units. This functional grouping is defined by operational latitude. Marketing functions, as such are defined in The Standards, are conducted by personnel working in non-CPL business units of Chevron on behalf of the various legal entities whose articles of incorporation, corporate by-laws, or other governance documents include the operational latitude to conduct such functions. Chandeaur/Sabine, utilizing documentation provided by the Chevron corporate governance department, have identified and documented the “business units” within Chevron which possess corporate authority to participate in interstate natural gas markets and in which Chevron holds a 10% or greater controlling interest. Management of each identified business unit or legal entity was contacted and a request was placed for a listing of Marketing Function Employees within that business unit along with corresponding validation of the payroll entity within Chevron by whom the employee is paid. The resulting list of corporate affiliates is published on Chandeaur/Sabine internet website at www.Chandeaur.com and www.SabinePipeLine.com.

Chandeaur/Sabine compliance personnel, in conjunction with Chevron business unit managers, have implemented procedures to update published information, as applicable, within seven business days of any change, displaying the date on which the information was updated.



Chandeaur/Sabine compliance staff monitors reports of corporate governance changes having an effect on the established list of affiliates. Such changes include

- Creation of new affiliates
- Dissolution of existing affiliates

As necessary, the existing data will be updated and forwarded to IT personnel who will publish the required information to Chandeaur/Sabine Internet websites. An automated process will update the posting with the respective date-stamp of the date posted.

6.5.2 Facilities Shared at employee-staffed facilities

Management of each Chevron business unit that reported the employment of MFEs was requested to provide a listing of Chevron locations where MFEs conduct their marketing activities. The resulting list was cross-referenced with the list of Chevron locations staffed by TFEs of Chandeaur/Sabine. Any locations that appeared on each of the two lists has been recorded as a shared facility, staffed by both MFEs and TFEs.

Chandeaur/Sabine have posted the information in accordance with published standards as set forth in NAESB standards Version 1.7 at the following web addresses:

www.Chandeaur.com

www.SabinePipeLine.com

Chandeaur/Sabine must update the information, as applicable, within seven business days of any change, identifying the date on which the information was updated. Compliance staff will monitor posted information for changes and update published information, as necessary. Revised postings will be provided to IT personnel who will publish the required information to Chandeaur/Sabine's Internet websites. This posting will be date-stamped with the date of posting.

6.5.3 Potential merger partners

Chandeaur/Sabine will post information concerning potential merger partners as affiliates that may employ or retain marketing function employees within seven days after the merger is announced. Chandeaur/Sabine will post the name(s) and address(es) on its Internet website.

Until and unless an updated posting is required, Chandeaur/Sabine have posted a notice indicating that there are no activities required to be reported at this time. The indicated location for the posting was made in accordance with published standards as set forth in NAESB standards at the following web addresses:

www.Chandeaur.com

www.SabinePipeLine.com



Chandeleur/Sabine have identified Best Practices to update published information, as applicable, within seven business days of any change, displaying the date on which the information was updated. At such time that conditions warrant, Chandeleur/Sabine compliance staff will ensure that published information is updated to reflect changes. Revised documents will be provided to IT personnel who will publish the required information to Chandeleur/Sabine Internet websites. An automated process will date-stamp the date of posting.

6.6 Identification of employee information on the public Internet

Utilizing current (10/31/2008) personnel job descriptions and position location descriptors, Chandeleur/Sabine management personnel reviewed organizational charts for Chevron Pipe Line Company, the contracted operator of the pipelines, and identified positions which meet the definition of a TFE as such is set out in The Standards⁶. Chandeleur/Sabine TFE positions identified, have been “flagged” in the records of the pipeline. Procedures have been put in place to identify and “flag” additional TFE positions as they may be added, from time to time.

6.6.1 Job titles and job descriptions

TFE job titles and job descriptions have been posted on the public Internet in accordance with published standards as set forth in current version NAESB standards at the following web addresses:

www.Chandeleur.com

www.SabinePipeLine.com

Organizational Capability staff is made aware of any changes to existing organizational charts by Chandeleur/Sabine management personnel. Organizational Capability staff is, in turn, responsible for notifying Chandeleur/Sabine compliance staff of such changes within two business days. Chandeleur/Sabine compliance staff is responsible for updating posted information in compliance with existing regulation.

Changes to pipeline positions which result in redesignation of such position as a “TFE” position will trigger a requirement for employees to complete additional Standards of Conduct training as may be appropriate.

⁶ 18 C.F.R. ¶358.2(i)



6.6.2 Employee transfers

Employees filling positions that perform marketing functions or transmission functions have been classified as either MFEs or TFEs as is appropriate.

Should employees so classified transfer from one classification to the other classification, Chandeaur/Sabine compliance staff will post for 90 days on Chandeaur/Sabine's public Internet the name of the transferring employee, the respective title held in each classification, and the effective date of the transfer.

Any information on transfers of personnel between these classifications will be posted on the public Internet in accordance with published standards as set forth in current version NAESB standards at the following web addresses:

www.Chandeaur.com

www.SabinePipeLine.com

Organizational Capability staff is made aware of changes in personnel. Organizational Capability staff is, in turn, responsible for notifying Chandeaur/Sabine compliance staff of such changes immediately. Chandeaur/Sabine compliance staff is responsible for updating posted information in compliance with existing regulation.

Changes in personnel which result in hiring of additional "TFE" personnel will trigger additional training requirement(s) for the affected personnel, as may be appropriate.

6.7 *Timing and general requirements of postings on the public Internet*

Updates to information required, by The Standards, to be posted on the public Internet will be made within seven business days of any change. Postings will display the date on which the information was updated.

6.7.1 Suspension of posting during emergencies

Chandeaur/Sabine, at its discretion of its compliance staff, may suspend required Standards of Conduct postings for one (1) month in the event that an emergency, such as an earthquake, flood, fire or hurricane severely disrupts Chandeaur/Sabine's normal business operations.

Chandeaur/Sabine compliance staff shall be responsible for notifying the Commission if the disruption continues for longer than one month and, as necessitated, will seek a further exemption from posting requirements.



This suspension does not extend to any other public Internet postings required to be made by Chandeaur/Sabine under Commission regulation. Maintenance of such other postings shall be governed by the regulation applicable to such other postings.

6.7.2 Prominence of postings on the public Internet

The location for the posting of information required by The Standards has been made in accordance with published standards as set forth in current version NAESB standards at the following web addresses:

www.Chandeaur.com

www.SabinePipeLine.com



Last updated on: 11/25/2008



7 IMPLEMENTATION REQUIREMENTS

7.1 *Effective Date*

These written procedures take effect November 26, 2008 with the exception of Section 6 Transparency Rule (and associated postings) which become effective December 26, 2008. These written procedures supercede and replace previous versions designed to set forth the procedures for compliance with Interim Rule, Order 690⁷

7.2 *Compliance Measures and Written Procedures*

7.2.1 **Procedures for compliance**

Chandeaur/Sabine Chief Compliance Officer maintains written procedures supporting Chandeaur/Sabine continuing compliance with The Standards. Dissemination and distribution of written procedures

Chandeaur/Sabine TFEs, MFEs, officers, directors, management committee members; CPL Leadership Team members and other targeted employees; Chevron Global Gas Leadership Team members and appropriate Chevron Corporation support personnel are provided copies of Chandeaur/Sabine written procedures. All employees targeted for distribution are required to acknowledge receipt of these procedures.

7.3 *Training and Compliance Personnel*

7.3.1.1 **Form of training**

Chandeaur/Sabine utilize training modules for use in training Chandeaur/Sabine personnel in the expectations of The Standards. These training module(s) may be adapted for classroom attendance, the use of video-conferencing sessions, or for electronic completion, on-line, through computer-based training.

7.3.1.2 **Employee populations targeted for training**

All TFEs, MFEs, CPL employees assigned to CPL's home office, all officers and directors of either Chandeaur/Sabine, as well as any other Chevron employee that supports Chandeaur/Sabine must certify completion of appropriate Standards of Conduct

⁷ Standards of Conduct for Transmission Providers, Order No. 690, 72 FR 2427 (Jan. 19, 2007); FERC Stats. & Regs. ¶31,237 (2007) (Interim Rule); clarified by, Standards of Conduct for transmission providers, Order No. 690-A, 72 FR 14235 (Mar. 27, 2007); FERC stats. & Regs. ¶31,243 (2007) (Order on Clarification and rehearing).



training. Such certification may be in the form of a signed affidavit or a computer-generated certificate.

7.3.1.3 Frequency of training

Targeted employees must complete Standards of Conduct training within thirty (30) days of their employment with Chandeaur/Sabine. Targeted employees must repeat training on an annual basis.

7.3.2 Chief Compliance Officer

Chandeaur/Sabine have designated a FERC Chief Compliance Officer who is identified as a “contact” on the pipeline’s Internet website.

The duties of the FERC Chief Compliance Officer and its staff include:

- the oversight and administration of the Standards of Conduct employee training program
- the composition, publishing and maintenance of written procedures outlining Chandeaur/Sabine method of compliance with The Standards
- responding to both internally and externally generated questions regarding regulatory compliance
- monitoring for compliance with the expectations of The Standards
- the coordination of FERC audits and investigations
- ensuring overall compliance with The Standards

Chandeaur/Sabine have implemented a specific e-mail ID to which any Standards of Conduct related compliance concerns may be directed. Such address is ChCmpOff@Chevron.com



7.4 ***Books and Records***

Chandeaur/Sabine maintain separate books and records from those of all other Chevron affiliates. Access to systems storing such data is restricted through multiple levels of security and requires the implementation of User ID and password. Employees accessing the books and records are required to complete adequate training in the Standards of Conduct.



Last updated on: 11/25/2008

