NextEra Energy, Inc.
Lone Star Transmission, LLC

Code of Conduct Compliance Plan



November 22, 2024

NextEra Energy
Lone Star Code of Conduct Compliance Plan
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1 Plan Overview

1.1 Purpose

The purpose of this Compliance Plan (Compliance Plan) is to facilitate Lone Star Transmission, LLC's (Lone Star) implementation of its Code of Conduct through a culture of compliance that includes:

- A vigorous plan that incorporates the Code of Conduct requirements and sets out how Lone Star and, to the extent applicable, NextEra Energy, Inc. (NextEra) Business Units can ensure sustainable compliance with the Code of Conduct; and
- Compliance tools for documenting requirements, assessing compliance with the rules and reporting as needed or required.

1.2 Scope of Compliance Plan

The scope of the Compliance Plan is the Lone Star Code of Conduct approved by the Public Utility Commission of Texas (PUCT) (Attachment A).

This Compliance Program does not cover compliance with the North American Electric Reliability Corporation (NERC) Reliability Standards, with Electric Reliability Council of Texas (ERCOT) Protocols and Operating Guides, or with orders and rules of the PUCT unrelated to the Code of Conduct. Nothing in this Compliance Plan is intended to modify requirements for compliance with NERC or ERCOT standards, protocols or operating guides.

1.3 Contact Information

Questions regarding this Compliance Plan can be directed to the NextEra Vice President of Compliance & Corporate Secretary who has been designated as NextEra's Chief Compliance Officer. Questions can also be directed to Lone Star's General Counsel or Director of Regulatory Affairs.

2 Definitions

Business Units – Divisions, businesses or support functions within NextEra, other than Lone Star.

Code of Conduct – The Lone Star Code of Conduct (Attachment A) approved by the PUCT on August 14, 2009, in Docket No. 36890, which may be revised and approved by the PUCT from time to time.

Competitive affiliate – An affiliate of Lone Star that provides services or sells products in a competitive energy-related market in the State of Texas, including telecommunications services, to the extent those services are energy-related, including those listed on Attachment B.

Compliance & Ethics (C&E) – The group in NextEra headed by the Vice President of Compliance & Corporate Secretary who, for purposes of this Compliance Plan, is the Chief Compliance Officer (CCO) responsible for providing guidance on compliance and monitoring compliance with the Code of Conduct.

Confidential information – Any Lone Star information not intended for public disclosure and considered to be confidential or proprietary by persons privy to such information. Confidential information includes but is not limited to information relating to the interconnection of customers to Lone Star's transmission system, proprietary customer information, trade secrets, competitive information relating to internal manufacturing processes, and information about Lone Star's transmission system, operations, or plans for expansion.

Corporate support services – Services shared by Lone Star and its affiliates for joint corporate oversight (*e.g.*, common officers and directors), governance, support systems, and personnel. Services that may be shared include human resources, procurement, information technology, regulatory services, administrative services, real estate services, legal services, accounting, environmental services, research and development unrelated to marketing activity and/or business development for the competitive affiliate regarding its services and products, internal audit, community relations, corporate communications, financial services, financial planning and management support, corporate services, corporate secretary, lobbying, corporate planning, engineering and construction services and transmission system operations, for Commission-jurisdictional or non- jurisdictional utilities, as described in waivers approved by the PUCT.[1]

Engineering & Construction (E&C) – a NextEra corporate support service that provides engineering and construction related services to Lone Star.

Florida Power & Light Company (FPL) – A subsidiary of NextEra that provides certain services to other NextEra companies, including to Lone Star, and also is a rate-regulated electric utility in the state of Florida.

[1] This is consistent with Lone Star's Application for a Limited Code of Conduct Waiver approved by the Commission on December 4, 2015 in Docket No. 45011, the Limited Code of Conduct Waiver approved by the Commission on August 30, 2013 in Docket No. 41503, and the Limited Code of Conduct Waiver approved by the Commission in Docket No. 39551.

General Counsel – Refers to member of the General Counsel business unit of NextEra Energy, Inc.

Lone Star Transmission, LLC (Lone Star) – The owner operator of electric transmission facilities within the State of Texas and an electric utility as defined by the Public Utility Regulatory Act (PURA).

Lone Star Transmission Capital, LLC (Lone Star Transmission Capital) – A subsidiary of Lone Star Transmission Holdings, LLC and the holding company and 100% owner of Lone Star.

Lone Star Transmission Holdings, LLC (Lone Star Transmission Holdings) – A subsidiary of NextEra Energy Transmission, LLC and the holding company and 100% owner of Lone Star Transmission Capital.

NextEra Business Unit – A division of NextEra or any NextEra-affiliated company that provides services to Lone Star, including, but not limited to, corporate support services.

NextEra Energy, Inc. (NextEra) – A diversified holding company that owns Lone Star, competitive affiliates, and other affiliates, including FPL, as defined in the Code of Conduct.

NextEra Energy Resources, LLC (NEER) – A subsidiary of NextEra that provides certain services to other NextEra companies, including to Lone Star, and also owns competitive affiliates and other affiliates providing wholesale and retail electricity, project development and construction, and energy products and services.

NextEra Energy Transmission, LLC (NEET) – A subsidiary of NextEra, the indirect parent of Lone Star, and the holding company of Lone Star Transmission Holdings and other regulated utility affiliates.

Public Utility Commission of Texas (PUCT) – The primary regulatory authority for the electric transmission industry in the Electric Reliability Council of Texas (ERCOT) region.

Other related terms are defined in the Code of Conduct (Attachment A) and have the meaning set forth therein.

3 Summary

Lone Star operates certain high-voltage electric transmission facilities in Texas. As part of constructing and operating these transmission assets, Lone Star is required to comply with a PUCT-approved Code of Conduct that governs the interaction between Lone Star and its affiliates to ensure avoidance of potential market-power abuses and cross-subsidization between regulated and unregulated activities. Key components are as follows:

Separation of Lone Star from Its Competitive Affiliates

Lone Star must operate separately and independently from any competitive affiliate and is prohibited from providing access to, and the ability to transfer, Lone Star confidential information from Lone Star to competitive affiliate employees; except for confidential information required to perform allowed corporate support services or services provided under an approved PUCT waiver. Information that is publicly available, or that is unrelated in any way to utility activities, may be shared.

Violations of the Code of Conduct/Complaint Procedures

Lone Star has an internal complaint process as well as access to NextEra's Hotline to encourage employee reporting of potential concerns with the Code of Conduct. All potential violations will be fully investigated, and corrective actions taken, if necessary, including disciplinary action, up to and including, termination of employment.

PUCT and Public Internet Reporting Requirements

Lone Star must report certain employee movements and transactions associated with its competitive affiliates as well as complaints and the Compliance Plan updates to the PUCT and the Lone Star public Internet website.

Record Retention

Evidence of compliance with the Compliance Plan (*e.g.*, employee transfer reporting to the PUCT) is required to be maintained for a minimum period of three years.

Three-Year Compliance Audit

Consistent with the PUCT Final Order approving Lone Star's Code of Conduct, Lone Star will ensure that there is an independent audit every three years to verify Lone Star's compliance with the Code of Conduct. The audit report is filed with the PUCT, and the cost of the audit will not be passed on to ERCOT customers.

4 Roles and Responsibilities

The following key employees are involved in the Code of Conduct compliance:

4.1 Compliance & Ethics (C&E)

Vice President of Compliance & Corporate Secretary, and Chief Compliance Officer (CCO)

As head of the C&E, the CCO coordinates a comprehensive, corporate-wide strategy and approach to compliance matters, including oversight of Lone Star's compliance. The CCO directly reports to NextEra's General Counsel.

C&E Director of Ethics & Compliance (and staff) for the Lone Star Code of Conduct

The C&E Director of Ethics & Compliance provides guidance on compliance and monitors compliance with the Code of Conduct. The C&E Director of Ethics & Compliance reports to the CCO. The C&E Director of Ethics & Compliance and staff duties include:

- Performing assessments (internal random spot checks) and suggesting compliance enhancements to procedures, processes, controls, and training.
- Overseeing and monitoring the timely implementation of any corrective action plans by the Lone Star Director of Regulatory Affairs and NEET Business Management.
- Ensuring the timely completion of the required Code of Conduct training for all employees; and
- Coordinating the annual updating of the Compliance Plan and posting to C&E's internal Intranet website.

4.2 Lone Star

President

The President of Lone Star duties include the following related to the Code of Conduct:

- Overseeing the investigation of all informal complaints alleging a violation of the Code of Conduct.
- Approving employee transfers and employee temporary assignments.
- Approving annual filings and other filings with the PUCT; and
- Ensuring that a compliance audit occurs every three years and is filed with the PUCT.

Director of Regulatory Affairs (and staff)

The Director of Regulatory Affairs duties include the following:

- Being a primary contact with the C&E and NextEra's General Counsel and liaising with the PUCT on regulatory and Code of Conduct compliance issues when authorized.
- Supporting sustainable compliance, including execution and monitoring of certain procedures, processes, and controls and periodic internal self-assessments or spot checks; and
- Reporting any potential violation to the C&E and coordinating a corrective action plan.

4.3 NextEra General Counsel

Attorneys, Analysts and Legal Assistants of General Counsel

NextEra General Counsel Business Unit (General Counsel) provides legal guidance on compliance statutes, regulations, and rules, including the Code of Conduct. The attorneys also represent Lone Star at the PUCT. The Corporate Governance (a group within General Counsel) Analysts provide the names of newly created affiliates to the General Counsel and NEET's Business Management staff for reporting

purposes and coordinating the PUCT filings and Lone Star public Internet website postings for all required reporting.

4.4 NextEra Energy Transmission Business Management

NEET Director of Business Management: The NEET Director of Business Management's (and their designee or staff) responsibilities include the following:

- Being a primary contact with LST, the C&E, and NextEra's General Counsel.
- Monitoring the creation of new affiliates and reporting those new affiliates as required.
- Leading sustainable compliance, including overall execution and monitoring of procedures, processes, and controls and periodic internal self-assessments or spot checks.
- Providing C&E with names of contractors, consultants or agents required to complete the Code of Conduct training; and
- Reporting any potential violation to the C&E and coordinating a corrective action plan.

4.5 NextEra Business Units

Business Unit Representatives

Consistent with the Code of Conduct, Lone Star receives services, including corporate support services, from certain NextEra Business Unit employees. Lone Star works with these affected Business Units to designate a Business Unit compliance representative with the following duties:

- Ensuring the Business Unit complies with the Code of Conduct and this Compliance Plan, including all applicable procedures, processes, controls, and training.

5 Separation of Lone Star from its Affiliates

The Code of Conduct requires that Lone Star be a separate, independent entity from any competitive affiliate (Attachment B) and, except as otherwise allowed in the Code of Conduct, Lone Star cannot share employees, facilities, or other resources with its competitive affiliates without first obtaining PUCT approval.

Sharing of employees with non-competitive Lone Star affiliates is allowed when the sharing does not compromise the public interest or when adequate safeguards are implemented to preclude competitive affiliate employees from gaining access to information that would allow or provide a means to 1) transfer confidential information from Lone Star to an affiliate, 2) create an opportunity for preferential treatment or unfair competitive advantage, 3) lead to customer confusion, or 4) create significant opportunities for cross- subsidization of affiliates. The approval of the Code of Conduct by the PUCT allows the sharing of corporate support services employees.

On August 14, 2009, Lone Star received approval from the PUCT for a limited waiver of the Code of Conduct to share engineering and construction services provided by the E&C Business Unit (a shared service within NextEra) during the construction of the CREZ transmission facilities and from time to time

thereafter (E&C Waiver). On September 30, 2011, Lone Star received approval from the PUCT for a limited waiver of the Code of Conduct to allow FPL to perform certain technical, field, and maintenance services for Lone Star (FPL Transmission Waiver). On August 30, 2013, Lone Star received approval from the PUCT to continue obtaining certain engineering and construction related support services from the NextEra C&E group staffed by personnel employed by Lone Star's affiliates, FPL and NEER. These services include development of initial project estimates, determination of technical performance requirements, scoping and vetting of engineering firms, reviewing of plans, management of material procurement and engineering and construction contracts, selection of construction contractors, and general management of the design, construction and commissioning of the Company's facilities. On December 4, 2015, Lone Star received approval from the PUCT to provide various transmission system operations services and related engineering services to non-competitive affiliates operating outside of ERCOT (Control Center Services Waiver). These services include, but are not limited to, corporate support services related to transmission line and substation operations, protection and control, maintaining control centers and data centers, engineering, maintenance, construction, technology, compliance, business services, safety, environmental, and training. Additional services may include business continuity and active participation in stakeholder working groups, as well as training, including training necessary to meet North American Electric Reliability Corporation and other requirements. Any requests for additional PUCT approvals must follow the PUCT Communications and Approvals policy outlined in Section 8 of this Compliance Plan.

5.1 Employees

5.1.1 Identification of Employees

Employees are classified by their respective Business Units (*e.g.*, Accounting is a corporate support service business unit). Classifying Business Units enables employees to determine what requirements apply to their business unit category, including how to interact with employees in other business unit categories. In addition, these designations facilitate compliance with the Code of Conduct separation restrictions (*e.g.*, facilities access restrictions).

C&E and Business Unit representatives work together to perform this classification assessment. All Business Units, as applicable, are designated as one of the following categories: Lone Star, corporate support services, affiliate performing services under an approved PUCT waiver, competitive affiliate engaged in retail and wholesale market operations, or employees not associated in any way with Lone Star activities (*e.g.*, FPL customer service or NEER not engaged in retail or wholesale market operations in Texas). If an employee has any questions about his or her Business Unit's designation, he or she must contact the NEET Director of Business Management or the C&E Director of Ethics & Compliance.

5.1.2 Sharing of Confidential Information Restrictions

An employee, contractor, consultant, or agent performing corporate shared services or providing a service under a PUCT-approved waiver may have access to or receive Lone Star confidential information. Any employee, contractor, consultant, or agent who possesses Lone Star confidential information has a duty of care to protect that confidential information from access by a competitive affiliate employee, contractor, consultant, or agent. When a situation arises in which Lone Star confidential information may be discussed (*e.g.*, meetings, presentations, or e-mail), it is the

responsibility of the employee, contractor, consultant, or agent that possesses Lone Star confidential information to ensure that the information is not being shared with an employee, contractor, consultant, or agent that is restricted from receiving Lone Star confidential information. When sharing Lone Star confidential information in a presentation, document, or e-mail with an employee, contractor, consultant, or agent outside of Lone Star, the following statement can be used in designating the content as confidential information:

> "*This presentation (or document or e-mail) contains Lone Star Transmission, LLC confidential information that may not be shared with an employee, consultant, contractor, or agent providing services (other than corporate support services) to a NextEra Energy Texas competitive affiliate and must also be treated consistent with the Lone Star Code of Conduct approved by the Public Utility Commission of Texas."*

If an employee, contractor, consultant, or agent has any doubt whether another individual is eligible to receive Lone Star confidential information, prior to sharing any Lone Star confidential information (unless during a system emergency), the employee, contractor, consultant, or agent that possesses the Lone Star confidential information must contact the Director of Regulatory Affairs, who in consultation with General Counsel or C&E if warranted, will then either confirm or deny the request to share the confidential information. The Request to Share Lone Star Confidential Information Form (Attachment C, Reporting Form LST009) may be used for this purpose. If confidential information is shared during a system emergency, as soon as reasonably practicable, confidential information shared must be provided on the Request to Share Lone Star Confidential Information Form to the Director of Regulatory Affairs, who will evaluate whether Lone Star Code of Conduct training or an Employee Confidential Information Affidavit Form (Attachment C, Reporting Form LST010) is required.

NEET Business Management reviews time charges by all affiliate employees to Lone Star. Time charges are reviewed for accuracy and to help implement safeguards, like Lone Star Code of Conduct competitive affiliate employee separation requirements.

5.1.2.1 Safeguards Regarding Communications with a Competitive Affiliate by Officers of Lone Star or Officers Providing Corporate Support Services to Lone Star

Consistent with Section 5.1.2, when Lone Star officers or officers providing corporate support services to Lone Star have joint meetings with officers of competitive affiliates, the Lone Star officers and those officers providing corporate support services have a duty of care to protect Lone Star confidential information. In such meetings, officers of Lone Star or officers providing corporate support services will employ adequate safeguards to ensure compliance, including but not limited to leaving the meeting before they discuss confidential information, asking certain participants to leave the meeting before confidential information is discussed, and by not sharing confidential information after the meeting concludes.

If there is any doubt as to whether or not certain information may be shared, the Director of Regulatory Affairs will determine if the information in question is permissible to be shared, in consultation with the C&E or General Counsel if deemed warranted.

5.1.2.2 Safeguards Regarding the Corporate Reporting Structure under the FPL Transmission Waiver

In accordance with the information sharing safeguards detailed in Lone Star's FPL Transmission Waiver, FPL's Transmission Operations organization operates separately from the entire NEER Transmission Operations organization.

5.1.3 Employee Transfers

Lone Star employees engaged in transmission system operations cannot be assigned, for less than one year, to a competitive affiliate, or a service company affiliated with Lone Star that is engaged in transmission system operations, unless the employee has no knowledge of Lone Star confidential information. Similarly, competitive affiliate employees or employees of a service company affiliated with Lone Star engaged in or having knowledge of transmission system operations cannot be assigned to Lone Star for less than one year.

Movement of eligible employees may be accomplished through either the employee's termination of employment with one company and acceptance of employment with the other, or a transfer to another company. In all cases, the employees are required to not remove or otherwise provide or use confidential property or information gained from Lone Star or an affiliated service company in a discriminatory or exclusive fashion, to the benefit of the competitive affiliate, or to the detriment of non-affiliated electric suppliers.

Typically, the movement of an employee is handled by transferring the employee to another company. All Lone Star employees transferring to a competitive affiliate and all competitive affiliate employees transferring to Lone Star must complete the Employee Transfer Affidavit Form (Attachment C, Reporting Form LST004) confirming that he or she is aware of, and understands the restrictions and penalties in the Code of Conduct and in this Compliance Plan. To ensure that all conditions for an employee transfer have been met, the transfer requires a signed affidavit and pre- approval from the President of Lone Star and the Director of Regulatory Affairs on the Employee Transfer Tracking Form (Attachment C, Reporting Form LST003).

Transferring of transmission operations employees from Lone Star to an affiliate or service company affiliated with Lone Star that is engaged in transmission operations must result in Lone Star bearing no ongoing costs associated with that employee once a Personnel Change Request form is prepared that electronically processes the employee's new Business Unit and cost center for all on-going charges as of the transfer date.

General Counsel is required to post a notice of any employee transfer subject to this section on Lone Star's public Internet website (www.lonestartransmission.com), within 24 hours and for at least 30 consecutive days as required in Section 9, PUCT and Public Internet Reporting Requirements.

5.1.4 Employee Temporary Assignments

Lone Star employees may be temporarily assigned to an affiliate or non-affiliated utility, and competitive affiliate employees may be temporarily assigned to Lone Star, to assist in restoring power in the event of a major service interruption or assist in resolving emergency situations affecting system reliability. Both instances require advance notice and approval. The Lone Star Director of Operations has the responsibility to complete the Temporary Assignment Request Form (Attachment C, Reporting Form LST005) and obtain the approval on the form of the President of Lone Star, or if the President is unavailable, then by the Director of Regulatory Affairs.

In the event of a temporary assignment, the Director of Regulatory Affairs or General Counsel has the responsibility to complete the Deviations from the Code of Conduct Form (Attachment C, Reporting Form LST002) and ensure that within 30 days of the first day of the temporary assignment that the temporary assignment is reported to the PUCT and on Lone Star's public Internet website as required in Section 9, PUCT and Public Internet Reporting.

5.2 Facilities

5.2.1 Sharing of Office Space

Other than employees providing corporate support services, all employees of Lone Star or employees of a Lone Star affiliate providing services to Lone Star are required to have separate offices, or physical access restrictions, from employees providing services to a competitive affiliate. Any physical access restrictions for employees providing services under an approved PUCT waiver will comply with the PUCT orders granting the waiver.

Lone Star's employee office space is physically separated from that of its competitive affiliates:

- Lone Star's main office and primary control center in Austin, Texas are located within the same building with separate key-card access to the primary control center. Lone Star's backup control center in Austin, Texas is in a separate building with physical access restrictions and key card entry. Only Lone Star employees, employees providing corporate support services, and other employees with a business need have access to these locations. In the event that an employee needs access to these locations, access is granted on a specific as needed basis that is reviewed by the NEET Director of Business Management, who coordinates with General Counsel as needed.
- Lone Star's Abilene, Dublin, and Mansfield, Texas office locations are physically separated in buildings with physical access restrictions.

In accordance with Lone Star's FPL Transmission Waiver, FPL's Transmission Operations organization office space is physically restricted from that of NEER's Transmission Operations organization:

- FPL and NEER Transmission Operations employees are located at the Jupiter West facility in Jupiter, Florida, Daytona Dispatch facility in Daytona, Florida and the Lejeune Flagler

Office in Miami, Florida. NEER Transmission Operations employees do not have access to NEET Transmission Operations specific office areas. The NEER Transmission Operations organization supporting competitive affiliates is physically restricted from the office areas where Lone Star operational information may be present. Additionally, in instances where a business need requires a NEER Transmission Operations employee to have access to the NEET office area, the NEER employee will be escorted at all times.

The Lone Star physical access procedures govern the access requirements for employees of LST, FPL and other affiliates to these security perimeters, as well as the requirements for Code of Conduct training for employees having this access. A review is conducted on a monthly basis to ensure the users that have been granted access still have a business need for access, are not associated with a Lone Star competitive affiliate, and have completed Lone Star Code of Conduct training if required.

If for any reason, a circumstance arises for which restricted access is not practical or possible for particular offices or office space, an exception to this requirement must be requested by the affected Business Unit. The NEET Director of Business Management will consult with General Counsel, Director of Operations and the C&E to determine if access should be granted. If the request is granted, the exception must be consistent with the Lone Star physical access procedures and documented by the NEET Director of Business Management. However, there will be no restricted access exception allowed for control center operations.

5.2.2 Sharing of Transmission Facilities

All operations of the Lone Star transmission system assets are performed from Lone Star control center facilities. Lone Star's primary and backup control centers in Austin, Texas are housed in separate buildings and are further restricted from competitive affiliates through key card entry restrictions, and access is governed by the Lone Star physical access procedures. Lone Star's control centers operate with dedicated Lone Star operations staff using a dedicated Lone Star Energy Management System (EMS) infrastructure and platform. The Lone Star EMS platform is inclusive of dedicated communications circuits and infrastructure solely for the use of Lone Star information exchange with ERCOT.

5.3 Sharing Property, Equipment, Computer Systems and Information Systems

Lone Star and competitive affiliates may share common property, equipment, computer systems, and information systems so long as consistent with the approved Code of Conduct and any waivers thereof approved by the PUCT.

5.3.1 Property and Equipment

Lone Star does not share and has no plans to share common property and equipment with a competitive affiliate. If Lone Star and competitive affiliates contemplate sharing common property and equipment in the future, adequate safeguards will be implemented to protect Lone Star's confidential information.

5.3.2 Computer Systems and Information Systems

Lone Star shares information and technology systems with its competitive affiliates. Lone Star prevents access by unauthorized users to confidential information through the use of user ID and passwords and uses physical separation and separate information systems where computer security-based controls cannot effectively be established. The EMS primary and back up servers are located in Miami and Daytona, Florida, respectively, and to the extent they are in shared facilities with competitive affiliates, safeguards are in place to restrict access to the Lone Star server (*e.g.*, card key access, escorted access).

Lone Star has procedures that require the review of access to Lone Star's information and technology systems when new access is requested and granted to these systems, as well as require the Code of Conduct training for employees having this access. Additionally, the NEET Business Management and General Counsel perform quarterly reviews of access to information and technology systems to ensure users on the list still have a business need for access, are not associated with a Lone Star competitive affiliate, and have completed Lone Star Code of Conduct training, as necessary. The computer systems and information systems that are governed by Lone Star's access procedures are listed and updated as necessary in the computer system procedures.

5.4 Separate Books and Records

Separate Lone Star books of accounts and records, including standalone financial statements, are maintained by NEER and NEET under Corporate Support Services Agreements between Lone Star and NEER and Lone Star and NEET. The books and records are kept in accordance with generally accepted accounting principles and/or state and federal guidelines, as appropriate, and include all transactions with its affiliates, whether they involve direct or indirect expenses. The records are maintained to comply with Lone Star's Code of Conduct and the FPL Transmission Waiver and must be sufficient to allow for an audit of the transactions between Lone Star and its affiliates. At any time, the PUCT may, at its discretion, require Lone Star to initiate, at Lone Star's expense, an audit of transactions between Lone Star and its affiliates performed by an independent third party.

5.5 Credit Support

Lone Star may share credit, investment, or financing arrangements with a competitive affiliate as long as the competitive affiliate does not obtain credit under any arrangement that would include a specific pledge of any assets in the rate base of Lone Star or a pledge of cash reasonably necessary for Lone Star operations. Any shared credit arrangements are required to be documented and reviewed by General Counsel and executed by the President of Lone Star and an officer of the competitive affiliate.

5.6 Transactions with Affiliates

Lone Star will not subsidize the business activities of any affiliate with revenues from a regulated service. In accordance with PURA and the PUCT's rules, Lone Star and its affiliates will fully allocate costs for any shared services, including corporate support services, offices, employees, property, equipment, computer systems, information systems, and any other shared assets, services, or products. All Lone Star and affiliate employees are also subject to the additional NextEra policies and procedures

related to affiliate transactions. Nothing in this section is intended to affect or modify the obligation or duties relating to any orders, rules or regulations that may apply to Lone Star affiliates.

5.6.1 Allocation of Corporate Support Services Costs

Lone Star and its affiliates fairly and reasonably bill costs and expenses through direct and indirect charges or by fully allocating costs in accordance with Corporate Support Services Agreements with FPL, NEER, and NEET. According to each of these agreements, all direct and indirect costs and expenses related to services provided (including services provided under a waiver approved by the PUCT) are charged to Lone Star. Lone Star's affiliate-related expenses are reviewed by NEET Business Management to assess the reasonableness of charges based on budgets and services rendered.

5.6.2 Sale of Products or Services by Lone Star to Affiliates

Unless otherwise approved by the Commission and except for corporate support services, any sale of a product or service by Lone Star will be governed by a tariff approved by the PUCT. Products and services will be made available to any third-party entity on the same terms and conditions as Lone Star makes those products and services available to its affiliates.

5.6.3 Purchase of Products, Services or Assets by Lone Star from Its Affiliate

Products, services, and assets are required to be priced at levels that are fair and reasonable to the customers of Lone Star and that reflect the market value of the product, service, or asset. Lone Star purchases from its affiliates are required to be documented in writing and reviewed by NEET Business Management and General Counsel.

5.6.4 Transfers of Assets from Lone Star to Affiliates

Assets transferred from Lone Star to its affiliates are required to be priced at levels that are fair and reasonable to the customers of Lone Star and that reflect the market value of the assets or Lone Star's fully allocated cost to provide those assets. Lone Star transfers of assets to its affiliates are required to be documented in writing and reviewed by NEET Business Management and General Counsel.

5.7 Transactions with Competitive Affiliates

Lone Star engages in arm's length transactions with its competitive affiliates consistent with the approved Code of Conduct for corporate support services or services provided under an approved PUCT waiver.

5.7.1 Written Records for Competitive Affiliate Transactions

Lone Star is required to maintain a written record of all transactions with its competitive affiliates, except those involving corporate support services and those transactions governed by tariffs. All substantial transactions are documented in written agreements and are reviewed by NEET

Business Management and General Counsel. If the transaction is not documented by a written agreement, then the Transactions with Competitive Affiliates Form (Attachment C, Reporting Form LST006) containing the date of the transaction, name of affiliate involved, name of the Lone Star employee knowledgeable about the transaction, and a description of the transaction is required to be completed and submitted to NEET Business Management for review. NEET Business Management has the responsibility to maintain copies of all agreements, contracts, or forms for three years, as defined in Section 10, Record Retention Policy. All written agreements, contracts, or forms are reported to the PUCT annually as required in Section 9, PUCT and Public Internet Reporting Requirements.

5.7.2 Purchase of Products or Services by Lone Star from Its Competitive Affiliates

Products, services, and assets are required to be priced at levels that are fair and reasonable to the customers of Lone Star and that reflect the market value of the product, service or asset. In addition, if a transaction to purchase a product or service from a competitive affiliate, exclusive of corporate support services, has a per unit value of $75,000 or more, or a total value of $1 million or more, the transaction must be formalized in a contract and be the result of a fair, competitive bidding process as defined in the Code of Conduct. NEET Business Management has the responsibility to maintain copies of all bidding documents, contracts, or forms for three years as defined in Section 10, Record Retention Policy.

5.7.3 Transfers of Assets from Lone Star to Its Competitive Affiliates

Assets transferred from Lone Star to its competitive affiliates must be priced at levels that are fair and reasonable to the customers of Lone Star and that reflect the market value of the assets or Lone Star's fully allocated cost to provide those assets. In addition, any transfer from Lone Star to its competitive affiliates of assets with a per unit value of $75,000 or more, or a total value of $1 million or more, must be the result of a fair, competitive bidding process as defined in the Code of Conduct and be formalized in a contract. NEET Business Management has the responsibility to maintain copies of all bidding documents, contracts, or forms for three years as defined in Section 10, Record Retention Policy.

5.7.4 Discounts, Rebates, Fee Waivers, or Alternative Tariff Terms or Conditions

Lone Star has no plans to provide discounts, rebates, fee waivers, or alternative tariff terms or conditions to its competitive affiliates. If contemplated, alternative tariff terms and conditions given to a competitive affiliate must be documented on the Discounted Transactions with Competitive Affiliates Form (Attachment C, Reporting Form LST007) and approved by the President of Lone Star. In addition, General Counsel will be responsible to post a notice on Lone Star's public Internet website for at least 30 consecutive calendar days. The Internet posting will assure that all competitors are entitled to the same terms that the competitive affiliate received. The posted information shall be dated, and General Counsel shall retain snapshots of the Internet page on the first day posted and at least 30 days thereafter, as proof of compliance as required by Section 9, Required PUCT and Public Internet Reporting Requirements. Written records of the transaction shall be simultaneous with the transaction and shall be maintained for three years as defined in Section 10, Record Retention Policy by General Counsel.

5.7.5 Tying Arrangements Prohibited

Unless otherwise allowed by the PUCT, Lone Star will not condition the provision of any product, service, pricing benefit, or alternative terms or conditions upon the purchase of any other good or service from Lone Star or its competitive affiliates. Lone Star employees and competitive affiliate employees selling energy services in Texas will comply with the Code of Conduct and the PUCT rules ensuring the interactions between Lone Star and its competitive affiliates do not involve tying arrangements.

5.8 Marketing, Advertising, and Promotional Activities

Lone Star does not engage in joint marketing, advertising, or promotional activities of its products or services with those of a competitive affiliate in a manner that favors the affiliate. Lone Star's marketing, advertising, and promotional activities include charitable contributions. As marketing, advertising, or promotional activities are contemplated, necessary safeguards, including approval by the President of Lone Star, will be implemented to ensure that Lone Star's marketing, advertising, and promotional activities will not involve:

- providing or acquiring leads on behalf of its competitive affiliates.
- soliciting business or acquiring information on behalf of its competitive affiliates.
- giving the appearance of speaking or acting on behalf of any of its competitive affiliates.
- sharing market analysis reports or other types of proprietary or non-publicly available reports, including, but not limited to, market forecast, planning, or strategic reports, with its competitive affiliates.
- representing to customers or potential customers that it can offer competitive retail services bundled with its tariffed services; or
- requesting authorization from its customers to pass on information exclusively to its competitive affiliate.

In addition, Lone Star will not engage in joint marketing, advertising, or promotional activities of its products or services with such services of a competitive affiliate in a manner that favors the affiliate, including, but not limited to, the following activities:

- acting or appearing to act on behalf of a competitive affiliate in any communications and contacts with any existing or potential customers.
- joint sales calls.
- joint proposals, either as requests for proposals or responses to requests for proposals.
- joint promotional communications or correspondence, except that Lone Star may allow a competitive affiliate access to customer bill advertising inserts according to the terms of a commission approved tariff so long as access to such inserts is made available on the same terms and conditions to non-affiliates offering similar services as the competitive affiliate that uses bill inserts;
- joint presentations at trade shows, conferences, or other marketing events within the state of Texas; and • providing links from Lone Star's public Internet website to a competitive affiliate's Internet website.

5.9 Customers and Competitive Affiliates

5.9.1 Unsolicited Customer and Competitive Affiliate Meetings

At a customer's unsolicited request, Lone Star may participate in meetings with a competitive affiliate to discuss technical or operational subjects regarding Lone Star's provision of transmission services to the customer, but only in the same manner and to the same extent Lone Star participates in such meetings with unaffiliated electric or energy services suppliers and their customers. Lone Star will not listen to, view, or otherwise participate in any way in a sales discussion between a customer and a competitive affiliate or an unaffiliated electric or energy services supplier.

Prior to any meeting, Lone Star is required to obtain the customer's request for the meeting in writing and provide a draft agenda to the Director of Regulatory Affairs. At such meetings, in addition to any technical personnel, Lone Star must be represented by the Director of Regulatory Affairs or a designee (*e.g.*, General Counsel attorney) who will: (1) agree to an agenda; (2) take meeting minutes for the time period that Lone Star is in attendance; and (3) ensure that all Lone Star employees or representatives leave the meeting prior to any sales discussion between a customer and a competitive affiliate or an unaffiliated electric or energy services supplier.

The Director of Regulatory Affairs is responsible for maintaining records of these customer and competitive affiliate meetings, including retaining a copy of the meeting minutes, for a minimum period of three years as defined in Section 10, Record Retention Policy.

5.9.2 Unsolicited Customer Requests for Specific Competitive Affiliate Information

If a customer or potential customer makes an unsolicited request to Lone Star for information specifically about any of its competitive affiliates, Lone Star must only provide the customer or potential customer the competitive affiliate's address and telephone number. Lone Star is prohibited from the following activities:

- transferring the customer via phone to the competitive affiliate.
- offering an e-mail address, the website, or any link of the competitive affiliate; or
- offering any opinion about or promoting the competitive affiliate or its products or services.

5.9.3 Customer Requests for Competitive General Products or Services Information

If a customer or potential customer makes a general request to Lone Star for information about products or services provided by a competitive affiliate or its affiliate's competitors, Lone Star is allowed to direct the customer or potential customer to a telephone directory, to the PUCT, or provide the customer with a recent list of suppliers developed and maintained by the PUCT. Lone Star is prohibited from the following activities, except as provided for in Section 5.9.2:

- transferring the customer via phone to the competitive affiliate or one of its competitors.
- offering an e-mail address, the web site, or any link of the competitive affiliate or one of its competitors.

- offering any opinion about or promoting the competitive affiliate or one of its competitors.
- offering an opinion about the products or services of a competitive affiliate or its competitor; or
- referring the customer to anyone other than the PUCT.

6 Customer Information

6.1 Proprietary Customer Information

6.1.1 Allowable Sharing of Customer Information

Lone Star will provide a customer with the customer's proprietary customer information, upon written request by the customer. Certain situations exist in which a customer's proprietary information may be released without customer consent. The Release of Customer Proprietary Information Form (Attachment C, Reporting Form LST008) completed and approved by the Director of Regulatory Affairs, but the customer's consent is not needed to release the customer's proprietary customer information to:

- A Lone Star affiliate providing corporate support services.
- ERCOT, as an Independent System Operator.
- Entities that are authorized or requested to do so by the PUCT or required to do so by law, regulation, or legal process.
- A federal, state, or local governmental entity or in connection with a court or administrative proceeding involving the customer or Lone Star; provided, however, that Lone Star shall take all reasonable actions to protect the confidentiality of such information, including, but not limited to, providing such information under a confidentiality agreement or protective order, and shall also promptly notify the affected customer in writing that such information has been requested; or
- A provider of last resort for the purpose of serving customers who have been switched to the provider of last resort (Lone Star is a transmission-only utility and has no plans at this time to directly serve retail customers, therefore, there is no situation in which this exception currently applies).

6.1.2 Prohibited Sharing of Customer Information

Lone Star is prohibited from providing a competitive affiliate access to proprietary customer information or the ability to transfer proprietary customer information from Lone Star to a competitive affiliate or any other entity, unless the receiving entity is the customer, an independent organization as defined by PURA §39.151, or a provider of corporate support services for the sole purpose of providing corporate support services, unless prior affirmative written customer consent has been provided on Lone Star's Release of Customer Proprietary Information Form (Attachment C, Reporting Form LST008), and approval has been obtained from the Director of Regulatory Affairs. If proprietary customer information is released to an independent organization or a provider of corporate support services, the independent organization or entity providing corporate

support services is subject to the rules in this subsection with respect to releasing the information to other persons.

Whenever Lone Star releases customer proprietary information to another entity, the Director of Regulatory Affairs has the responsibility to maintain all pertinent records, including the Release of Customer Proprietary Information Form, for a period of three years as defined in Section 10, Record Retention Policy.

6.2 Nondiscriminatory Availability of Aggregate Customer Information

Lone Star does not aggregate non-proprietary customer information, which includes, but is not limited to, information about Lone Star's operations or about Lone Star's energy-related goods or services. Accordingly, no such information is provided to a competitive affiliate. In compliance with Texas law, Lone Star does not hold title to power; therefore, aggregation of information related to energy purchases or sales is inapplicable.

Should Lone Star aggregate non-proprietary customer information in the future, safeguards will be implemented to ensure that, except in circumstances solely involving the provision of corporate support services, Lone Star will aggregate non-proprietary customer information for a competitive affiliate only if Lone Star makes such aggregation service available to all non-affiliates under the same terms and conditions and at the same price as it is made available to any of its affiliates. In addition, Lone Star will have a requirement to post a notice on its public Internet website and retain specific information in accordance with the required posting requirements for a period of three years as defined in Section 10, Record Retention Policy.

7 Violations of the Code and Complaint Procedures

Any employee participating in any activity or transaction within the scope of the Code of Conduct, or the Compliance Plan is responsible for full compliance with all of the rules, requirements, policies, procedures, and the spirit of compliance. Failure to comply could expose NextEra or Lone Star to serious financial and/or legal risk and in certain cases may be grounds for disciplinary action up to and including termination of employment or, if applicable, criminal prosecution.

7.1 Violation Evaluation and Corrective Action Plans

In the event a possible violation is discovered, or is reported according to the internal complaint process described in Section 7.2, the Director of Regulatory Affairs will work with the C&E Director of Ethics & Compliance, CCO, and General Counsel, if warranted, to evaluate whether a violation of the Code of Conduct or the Compliance Plan actually occurred and to institute appropriate corrective actions, as necessary, to timely address the violation. Investigating the violation shall include evaluating the root cause of the possible or potential violation. Examples of a root cause may include: (a) a lack of following a written procedure or process; (b) a lack of a procedure or process to follow; (c) a lack of understanding of the Code of Conduct; (d) a lack of adequate compliance controls; or (e) a lack of training. In consultation with the C&E Director of Ethics & Compliance, the Director of Regulatory

Affairs will implement new, revised or enhanced procedures, processes, training or controls to ensure that appropriate corrective action is implemented to mitigate the opportunity for future potential violations.

Any potential communications with the PUCT relating to violations or potential violations are governed by Section 8, PUCT Communications and Approvals.

7.2 Complaints

7.2.1 Informal Complaints

All alleged violations of the Code of Conduct are to be documented as informal complaints and provided to the President of Lone Star; the designated officer responsible for investigating all such complaints. The President of Lone Star must provide acknowledgement of having received a complete informal complaint to the complainant within five working days of receipt. If any complaint involves the President of Lone Star, the complaint should not be provided to the President of Lone Star, but instead be brought to the attention of the Lone Star Senior Attorney or the C&E.

All informal complaints will include the information on the Informal Complaint Resolution Form (Attachment C, Reporting Form LST001), which requires all relevant dates, name of the complainant, companies involved, employees involved, and the specific claim. If the complaint received by the President of Lone Star does not include this information, the complainant must be contacted within three working days to obtain any missing information. The President of Lone Star may delegate the responsibility to gather this information to the Director of Regulatory Affairs. In the event that a complainant makes an anonymous report on the NextEra Compliance Hotline (see below), then the CCO will designate a representative to put the complaint in writing.

A written report (which may contain preliminary or final results and a course of action to handle the underlying issue of the informal complaint) shall be communicated to the complainant as promptly as practicable, but no later than thirty (30) days after receipt of a completed informal complaint, unless the complaint is anonymous.

In the event the informal complaint cannot be resolved, the President of Lone Star shall notify the complainant of his or her right to file a formal complaint with the PUCT and provide the complainant with the PUCT's address and telephone number. This informal complaint process is not a prerequisite for filing a formal complaint with the PUCT.

Any questions regarding documenting an informal complaint should be directed to the Director of Regulatory Affairs or the C&E.

7.2.2 NextEra Hotline

NextEra also maintains a Compliance Hotline that can be utilized to report concerns. Such complaints may also be communicated anonymously. Any person may call the NextEra Compliance Hotline at 888-906-9NEE (888-906-9633) and leave a message; or submit an online

report on the secure web portal at nexteraenergy.ethicspoint.com. Notice will be provided to the President of Lone Star and complaints will be processed as outlined in Section 7.2.1.

7.2.3 Reporting Complaints to the PUCT and Record Keeping

A report of all informal complaints must be provided to the PUCT on an annual basis as part of the Lone Star Report of Affiliate Activities as required in Section 9, PUCT and Public Internet Reporting Requirements. Written records of the informal complaint resolution shall be maintained for three years as defined in Section 10, Record Retention Policy, by the Director of Regulatory Affairs.

8 PUCT Communications and Approvals

It is Lone Star's policy that employee or external communications with the PUCT or any requests for PUCT approvals be conducted only by authorized representatives of NextEra or Lone Star as designated by the President of Lone Star, or his/her designee, unless the communication is for a complaint or is otherwise authorized in this Compliance Plan for the ordinary course of filing required reports with the PUCT. General Counsel and the Director of Regulatory Affairs must be consulted, and approval obtained before any communications, whether informal or formal, are presented to the PUCT.

9 PUCT and Public Internet Reporting Requirements

9.1 New Affiliate Postings

9.1.1 Public Internet Immediate Posting

Lone Star is required to immediately (*i.e.*, as soon as practical) post a conspicuous notice of any new competitive affiliate on its public Internet website for at least 30 consecutive calendar days upon the creation of a new affiliate.

New affiliates are identified regularly by General Counsel. An office within General Counsel (Corporate Governance) sends an e-mail notification to General Counsel and NEET Business Management for all newly created affiliated companies. Consistent with the Lone Star Code of Conduct Compliance Plan update filed at the PUCT, General Counsel confirms the creation of any new competitive affiliate. General Counsel has the responsibility to ensure that the newly created competitive affiliate(s) is (are) posted on Lone Star's public Internet website for at least 30 consecutive calendar days as soon as practical. The posted list is required to be dated, and NEET Business Management has the responsibility to retain evidence of the Internet posting, as proof of compliance. The posting evidence and communications from General Counsel and Corporate Governance must be maintained for three years as defined in Section 10, Record Retention Policy.

9.1.2 PUCT 30-Day Compliance Plan Update Filing

Consistent with the filing of competitive affiliates with the original Code of Conduct approval request, this Compliance Plan lists competitive affiliates in Attachment B, List of Competitive Affiliates. Within 30 days of the creation of a new competitive affiliate, Lone Star is required to file with the PUCT an update to the Compliance Plan and any other necessary Code of Conduct updates as a result of the newly created competitive affiliate.

General Counsel has the responsibility to determine if any affiliate is registered to do business in Texas, and, also, whether the affiliate constitutes a competitive affiliate of Lone Star. General Counsel personnel tasked with Texas regulatory law issues makes this determination, review any necessary Code of Conduct updates, and prepare a notification to file with the PUCT in Docket No. 36890 to update the Code of Conduct and the list of competitive affiliates. As noted below, the President of Lone Star and the CCO must approve any substantive changes to the Compliance Plan.

General Counsel has the responsibility to coordinate filing the updates with the PUCT and will provide the C&E with any updates of the Compliance Plan Attachment B. The C&E has the responsibility to coordinate the posting of the updated plan to the C&E Compliance internal Intranet website.

9.2 PUCT 30-Day Public Safety and System Reliability Deviations Reporting

Lone Star is required to report information regarding the instances in which deviations from the Code of Conduct were necessary to ensure public safety and system reliability within 30 days of occurrence. As noted in Section 5.1.4, Employee Temporary Assignments, each deviation is documented on the Deviations from the Code of Conduct Form (Attachment C, Reporting Form LST002) which includes the identification of the nature of the circumstances requiring the deviation, the action taken by Lone Star and the parties involved, the names and information of the employees or departments involved, and the date of the deviation. Lone Star is required to report this information to the PUCT and conspicuously post the information on the Lone Star public Internet website for 30 consecutive calendar days.

The Director of Regulatory Affairs has the responsibility to coordinate the PUCT reporting. All reporting must be reviewed by General Counsel and approved by the President of Lone Star. The Director of Regulatory Affairs or a designee is also responsible to ensure that the Internet posted information is timely, dated, and snapshots of the Internet page on the first day posted and at least 30 days thereafter, are retained as a proof of compliance. The Director of Regulatory Affairs has the responsibility to ensure this information will also be reported in the annual Report of Affiliate Activities as required in Section 9.4 below.

9.3 Public Internet 24-Hour Aggregate Customer Information

As described in Section 6.2, Nondiscriminatory Availability of Aggregate Customer Information, Lone Star does not presently aggregate customer information. Should Lone Star plan to aggregate customer information in the future, then safeguards would be implemented to ensure that no later than 24 hours

prior to Lone Star's provision to its competitive affiliate of aggregate customer information, Lone Star posts a conspicuous notice on its public Internet website for at least 30 consecutive calendar days, providing the following information: the name of the competitive affiliate to which the information will be provided, the rate charged for the information, a meaningful description of the information provided, and the procedures by which non-affiliates may obtain the same information under the same terms and conditions. Lone Star must retain records of such information for a minimum of three years as defined in Section 10, Record Retention Policy, and will make such records available for third party review within 72 hours of a written request, or at a time mutually agreeable to Lone Star and the third party.

9.4 PUCT Annual Report of Affiliate Activities

Lone Star is required to file a Report of Affiliate Activities annually with the PUCT, pursuant to P.U.C. Substantive Rule § 25.84 and using approved PUCT forms, covering the prior calendar year. The Director of Regulatory Affairs has responsibility to ensure that the report is prepared, reviewed by General Counsel and approved by the President of Lone Star prior to filing.

9.4.1 Lone Star and Affiliate Contracts

All Lone Star contracts or agreements with affiliates are required to be included in the Report of Affiliate Activities. As required in Section 5.7.1, Written Records for Competitive Affiliate Transactions, copies of all Lone Star written agreements are maintained by the NEET Business Management for reporting purposes. In subsequent years, if no significant changes have been made to the contract or agreement, an amendment sheet may be filed in lieu of re-filing the entire contract or agreement. NEET Business Management will coordinate with General Counsel in determining significant changes and preparing amendment sheets, as necessary. When applicable, and in accordance with Section 5.7.1, the Transactions with Competitive Affiliates Form (Attachment C, Reporting Form LST006) will be used in lieu of contracts or agreements.

9.4.2 Migration of Employees

As required in Section 5.1.3 and 5.1.4, Employee Transfers and Employee Temporary Assignments, respectively, Lone Star tracks and documents the movement between Lone Star and its competitive affiliates for all employees engaged in transmission or distribution system operations, including those assigned to assist competitive affiliates in emergencies. Each migration is documented on the Employee Transfer Tracking Form (Attachment C, Reporting Form LST003), the Temporary Assignment Request Form (Attachment C, Reporting Form LST005) and the Deviations from the Code of Conduct Form (Attachment C, Reporting Form LST002) which include the required identification code for the migrating employee (employee personnel number), the respective titles held while employed at each entity, and the effective dates of the migration. These Forms are maintained by NEET Business Management and used to compile the information required for this filing.

9.4.3 Informal Complaints

Lone Star is required to report to the PUCT information regarding the nature and status of informal complaints handled in accordance with Section 7, Violations of the Code and Complaint

Procedures. The information on the Informal Complaint Resolution Form (Attachment C, Reporting Form LST001), which contains the required name of the complainant and a summary report of the complaint, including all relevant dates, companies involved, employees involved, the specific claim, and any actions taken to address the complaint, is used by the Director of Regulatory Affairs to compile the information required for this filing. In addition, the same information on all informal complaints that were initiated or remained unresolved during the reporting period is also required to be included in the Report of Affiliate Activities.

9.4.4 Public Safety and System Reliability Deviations Reporting

As described in Section 9.2 above, Lone Star is required to report information regarding the instances in which deviations from the Code of Conduct were necessary to ensure public safety and system reliability to the PUCT within 30 days. Lone Star is also required to provide the same information in the annual report. The Director of Regulatory Affairs compiles this information from the Deviations from the Code of Conduct Forms (Attachment C, Reporting Form LST002) and has the responsibility to ensure this information is included in the report.

9.4.5 Annual Update of Compliance Plans

Lone Star is required to report all approved changes to the Compliance Plan, including collectively all those changes that result from the creation of new affiliates during the period already reported individually as noted above in Section 9.1 above.

The Director of Ethics & Compliance has the responsibility to summarize all of the changes to the plan. During the year, the President of Lone Star and the CCO must approve all substantive changes to the Compliance Plan. Annually, all changes to the Compliance Plan must be reviewed and approved by the President of Lone Star and the CCO prior to the filing of the report.

10 Record Retention Policy

All information, data, and other evidence necessary to demonstrate compliance with the Code of Conduct and the Compliance Plan must be documented and be retained for three years.

11 Training

11.1 Required Trainings

Training is an integral part of Lone Star's Compliance Plan and compliance with PUCT approved waivers. The Code of Conduct training is designed to ensure that all employees, contractors, consultants, or agents understand the Code of Conduct and their responsibilities under the rules and are aware of Lone Star's Code of Conduct and Compliance Plan and any changes to the plan.

Lone Star Code of Conduct training is required to be completed prior to or immediately upon providing services to Lone Star or receiving Lone Star confidential information. Once trained, Lone Star will require Lone Star officers, employees, contractors, consultants, and agents to complete refresher training on a regular basis. Initial training and refresher training courses and timing are based on the individual's function, business needs, and/or services provided to Lone Star.

Lone Star Code of Conduct training requirements are summarized below:

1. Lone Star Officers and Direct Employees: Lone Star requires that all officers and direct. employees of Lone Star complete the full and comprehensive version of Lone Star's Code of Conduct Training immediately upon hire and complete a refresher training every third calendar year. For example, if an employee completed Lone Star Code of Conduct training during the year 2020, the employee, if still an officer or direct employee of Lone Star, must complete the refresher training sometime during the year 2023.

2. Other NextEra Employees:
    a. Lone Star requires that all NextEra employees (inclusive of Lone Star direct employees) complete a combined training regarding Lone Star Code of Conduct, FERC Standards of Conduct, and FERC Affiliate Requirements within 30 days of employment and annually thereafter.

3. Contractor, Consultant or Agent:
    a. Lone Star requires that contractors, consultants, or agents that are anticipated to possess Lone Star confidential information as part of their services provided to Lone Star (*e.g.*, outside counsel, operations or maintenance contractors or consultants that are likely to receive Lone Star confidential information) complete the full and comprehensive version of Lone Star's Code of Conduct Training or a shortened, contractor-specific training prior to or immediately upon providing services to Lone Star and complete a refresher training every third calendar year.

       General Counsel or its designee works with C&E as needed to determine the training course based on the service being provided and the types of Lone Star information to which the contractor, consultant or agent will have access.

    b. Lone Star does not require individuals working for companies that provide nonsensitive, contracted services (*e.g.*, janitorial, parking, pest control) or that do not otherwise possess Lone Star confidential information as part of their services provided to Lone Star to complete the Code of Conduct Training.

The Business Units are responsible for identifying to NEET Business Management, General Counsel, C&E, and/or their designees, contractors, consultants and agents involved in Lone Star activities, which have the responsibility to maintain a listing to provide to C&E. The list contains the name, company's name, and e-mail address.

All employees, contractors, consultants, and agents identified as requiring training are notified of this requirement by C&E and/or the Business Units. Each employee, contractor, consultant, or agent has the responsibility to complete the required training on a timely basis.

11.2 Access to Training Materials

The Lone Star Code of Conduct training materials are provided in the Training section of CRO's website and the online training course can be accessed through the NextEra Corporate Learning Management System (LMS). Completion of the online training results in an electronic record of the training. If an individual who requires training does not have access to LMS, and such individual's supervisor or Lone Star point of contact has not made other arrangements, NEET Business Management or their designee will notify C&E that the individual needs to have the Lone Star training assigned through other electronic means. In cases where an individual requiring training does not have access to a computer or the internet or to LMS, NEET Business Management or their designee will provide the Lone Star training packet including a certificate that the individual must sign and return as evidence of completing training.

11.3 Monitoring Required Training

The C&E has the responsibility to ensure that all employees and the contractors, consultants, or agents, as identified and provided by NEET Business Management or their designee, have completed the required training.

12 Audits

The Code of Conduct requires that Lone Star ensure that an independent audit of compliance with LST's Code of Conduct is performed every three years. Lone Star's Code of Conduct was originally approved on August 14, 2009 with audits conducted every three years thereafter (conducted in 2012, 2015; 2018; 2021; next planned 2024). The audit report requires review by the Director of Regulatory Affairs, President of Lone Star, General Counsel and CCO before filing with the PUCT. The results of the audit are filed with the PUCT within one month of the completion of the audit.

The President of Lone Star has the responsibility to engage an independent auditor and ensure that no audit costs are charged to Lone Star customers.

13 Revision History

1.0	Maria V. Fogarty Michael G. Grable	July 8, 2011 -- Original
2.0	Maria V. Fogarty Michael G. Grable	December 2, 2011 –Version 2 • Updated name change for USTH to NEET and LST's corporate organizational structure • Added FPL and NEET affiliate agreements • Added E&C waiver and safeguards • Added T&S waiver and safeguards • Added references to NEE corporate policies • Updated policy on aggregating customer information in compliance with Texas law • Updated training purpose and location of Compliance Plan on CRO website • Updated record retention and audit requirements • Updated competitive affiliates
3.0	Maria V. Fogarty Michael G. Grable	May 23, 2012 – Version 3 • Updated competitive affiliates
4.0	Maria V. Fogarty Michael G. Grable	May 24, 2013- Version 4 • Updated for LST Application for a Limited Code of Conduct Waiver made May 17, 2013 to the Commission. • Updated procedures for: 5.1.2 Sharing of Confidential Information, 5.2.1 Sharing of Office Space; 5.3.2 Computer Systems and Information Systems • Clarifications on competitive affiliate Internet postings • Updated competitive affiliates list
5.0	Jessica Buttress	June 30, 2014 • Updated the CCO Title in Sections 1.3, 2 and 4 to reflect the change of CCO to Scott Seeley from Maria Fogarty.

6.0	W. Scott Seeley Michael G. Grable	May 29, 2015 • Replaced "Director of Regulatory Affairs and Strategy" with "Regulatory Affairs Manager" • Updated various title changes • Updated roles in Section 4 Roles and Responsibilities • Updated references to PUCT waivers to include E&C waiver approved on August 30, 2013 in Docket No. 41503 • Updated competitive affiliates list • Section 5.2.1 Sharing Office Space, removed Stephenville office • Updated processes and references to procedures for: 5.2.1 Sharing Office Space, 5.2.2 Sharing of Transmission Facilities, and 5.3.2 Computer Systems and Information Systems • Removed 5.8.1, Charitable Contributions, not specifically applicable to Lone Star's Compliance Plan as Lone Star complies with corporate charitable contribution policies. • Updated Section 11, Training, to clarify contractor training requirements and to add CRO's new role of monitoring training completion. • Corrected docket number and approval date of Lone Star's Code of Conduct in Attachment A
7.0	Jessica Buttress	July 22, 2015 • Updated competitive affiliates list
8.0	Jessica Buttress	September 10, 2015 • Updated competitive affiliates list
9.0	Jessica Buttress	December 08, 2015 • Updated competitive affiliates list
10.0	W. Scott Seeley Michael G. Grable	May 31, 2016 • Removed definition of Employee in Section 2 and clarified the responsibilities of employees, contractors, consultants and agents throughout the document • Updated references to PUCT waivers to include E&C waiver approved on December 4, 2015 in Docket No. 45011 • Updated competitive affiliates list • Updated Section 11, Training, to reflect the new training process in which all NextEra employees will be trained
11.0	Jessica Buttress	October 10, 2016 • Updated competitive affiliates list

12.0	Jessica Buttress	November 30, 2016 • Updated competitive affiliates list
13.0	Jessica Buttress	December 7, 2016 • Updated competitive affiliates list
14.0	Jessica Buttress	January 3, 2017 • Updated competitive affiliates list
15.0	Jessica Buttress	January 19, 2017 • Updated competitive affiliates list
16.0	Jessica Buttress	February 13, 2017 • Updated competitive affiliates list
17.0	Jessica Buttress	February 154, 2017 • Updated competitive affiliates list
18.0	Jessica Buttress	March 1, 2017 • Updated competitive affiliates list
19.0	Jessica Buttress	March 27, 2017 • Updated competitive affiliates list
20.0	Jessica Buttress	April 25, 2017 • Updated competitive affiliates list
21.0	W. Scott Seeley Michael G. Grable	June 1, 2017 • Updated Section 4.4, NextEra Business Units, to reflect changes in the Business Unit responsibilities. • Updated Section 5.1.1, Identification of Employees, to reflect the new classification process related to training all employees. • Updated Section 5.2.1, Sharing Office Space, to reflect changes at physical locations. Updated Section 11, Training, to reflect the new training process in which all NextEra employees will be trained
22.0	Jessica Buttress	June 2, 2017 • Updated competitive affiliates list
23.0	Jessica Buttress	July 7, 2017 Updated competitive affiliates list
24.0	Jessica Buttress	August 16, 2017 Updated competitive affiliates list
25.0	Jessica Buttress	September 22, 2017 Updated competitive affiliates list
26.0	Jessica Buttress	December 15, 2017 Updated competitive affiliates list
27.0	Jessica Buttress	February 153, 2018 Updated competitive affiliates list

28.0	W. Scott Seeley Aundrea Williams	June 1, 2018 • Updated Section 4.1 and 4.3, NextEra Business Units, to reflect changes in the Business Unit responsibilities. • Updated Section 5.2.1, Sharing of Office Space, to reflect access at Lone Star's backup control center. • Updated Section 9.1.1, Public Internet Immediate Posting, to reflect changes in responsibility. • Replaced "CRO Director" with "CRO Ethics & Compliance Manager" to reflect changes in responsibilities.
29.0	Jessica Buttress	September 4, 2018 Updated competitive affiliates list
30.0	Jessica Buttress	October 1, 2018 Updated competitive affiliates list
31.0	Jessica Buttress	November 20, 2018 Updated competitive affiliates list
32.0	Jessica Buttress	December 7, 2018 Updated competitive affiliates list
33.0	Jessica Buttress	December 21, 2018 Updated competitive affiliates list
34.0	Jessica Buttress	January 23, 2019 Updated competitive affiliates list
35.0	Jessica Buttress	February 155, 2019 Updated competitive affiliates list
36.0	Jessica Buttress	March 1, 2019 Updated competitive affiliates list
37.0	Jessica Buttress	March 29, 2019
		Updated competitive affiliates list
38.0	Jessica Buttress	April 9, 2019 Updated competitive affiliates list
39.0	Jessica Buttress	May 17, 2019 Updated competitive affiliates list
40.0	W. Scott Seeley Aundrea Williams	May 29, 2019 • Replaced "Regulatory Affairs Manager" with "Director of Regulatory Affairs and Strategy" and "Ethics & Compliance Manager" with "Director of Ethics & Compliance" • Updated Competitive Affiliates list

41.0	Jessica Buttress	July 1, 2019 Updated competitive affiliates list
42.0	Jessica Buttress	September 16, 2019 Updated competitive affiliates list
43.0	Jessica Buttress	October 14, 2019 Update competitive affiliates list
44.0	Jessica Buttress	February 03, 2020 Update competitive affiliates list
45.0	Jessica Buttress	February 15, 2020 Update competitive affiliates list
46.0	W. Scott Seeley Aundrea Williams	May 29, 2020 • Updates to certain roles and responsibilities • Updated FPL Transmission org structure, Section 5.1.2.2 • Updated Competitive Affiliates list
47.0	Jessica Buttress	July 6, 2020 Update competitive affiliates list
48.0	Jessica Buttress	July 27, 2020 Update competitive affiliates list
49.0	Jessica Buttress	August 18, 2020 Update competitive affiliates list
50.0	Jessica Buttress	November 2, 2020 Update competitive affiliates list
51.0	Jessica Buttress	December 7, 2020 Update competitive affiliates list
52.0	Jessica Buttress	January 5, 2021 Update reporting hotline nexteraenergy.ethicspoint.com
53.0	Jessica Buttress	Feburary 2, 2021 Update competitive affiliates list
54.0	Jessica Buttress	Feburary 15, 2021 Update competitive affiliates list
55.0	Ingrid Nickolaus	March 1, 2021 Update competitive affiliates list
56.0	Ingrid Nickolaus	March 9, 2021 Update competitive affiliates list
57.0	Ingrid Nickolaus	March 23, 2021 Update competitive affiliates list
58.0	Ingrid Nickolaus	May 4, 2021 Update competitive affiliates list
59.0	W. Scott Seeley	May 24, 2021 Updates to certain training procedures and to competitive affiliates list
60.0	Ingrid Nickolaus	July 1, 2021 Update competitive affiliates list

61.0	Ingrid Nickolaus	July 29, 2021 Update competitive affiliates list
62.0	Ingrid Nickolaus	August 2, 2021 Update competitive affiliates list
63.0	Ingrid Nickolaus	August 31, 2021 Update competitive affiliates list
64.0	Ingrid Nickolaus	October 19, 2021 Update competitive affiliates list
65.0	Ingrid Nickolaus	October 25, 2021 Update competitive affiliates list
66.0	Ingrid Nickolaus	November 23, 2021 Update competitive affiliates list
67.0	Ingrid Nickolaus	February 11, 2022 Update competitive affiliates list
68.0	Ingrid Nickolaus	March 2, 2022 Update competitive affiliates list
69.0	Ingrid Nickolaus	March 21, 2022 Update competitive affiliates list
70.0	Ingrid Nickolaus	April 20, 2022 Update competitive affiliates list
71.0	Ingrid Nickolaus	July 11, 2022 Update competitive affiliates list
72.0	Ingrid Nickolaus	August 9, 2022 Update competitive affiliates list
73.0	Anita Mixon	August 9, 2022 Update competitive affiliates list
74.0	Julie N. Krauss	October 17, 2022 Update competitive affiliates list
75.0	Julie N. Krauss	December 22, 2022 Update competitive affiliates list
76.0	Julie N. Krauss	January 24, 2023 Update competitive affiliates list
77.0	Julie N. Krauss	April 24, 2023 Update competitive affiliates list
78.0	Julie N. Krauss Lakiesha Thomas	May 23, 2023 Update specific responsibilities within compliance plan to reflect personnel changes Update Lone Star offices in Section 5.2.1 Update competitive affiliates list Update Section 12 as to audit dates
79.0	Julie N. Krauss Lakiesha Thomas	June 26, 2023 Update Definition of NextEra Energy Transmission, LLC Update Section 9.1.1 to modify timeframe for identification of new

		competitive affiliates by General Counsel Update competitive affiliates list
80.0	Julie N. Krauss	August 14, 2023 Update competitive affiliates list
81.0	Julie N. Krauss	November 27, 2023 Update competitive affiliates list
82.0	Julie N. Krauss	January 2, 2024 Update competitive affiliates list
83.0	Julie N. Krauss	January 23, 2024 Update competitive affiliates list
84.0	Julie N. Krauss	March 28,2024 Update competitive affiliates list
85.0	Julie N. Krauss	April 10, 2024 Update competitive affiliates list
86.0	Julie N. Krauss	June 18, 2024 Update competitive affiliates list
87.0	Julie N. Krauss	August 9, 2024 Update competitive affiliates list
87.1	Julie N. Krauss	August 16, 2024 Update competitive affiliates list
88.1	Julie N. Krauss	September 20, 2024 Update competitive affiliates list
89.1	Anita Mixon	September 25, 2024 Replaced Compliance and Responsibility Organization (CRO) with Compliance & Ethics (C&E)
90.1	Julie Krauss	November 22, 2024 Update competitive affiliates list

Attachment A - Lone Star Code of Conduct

DOCKET NO. 45011
Approved on December 4, 2015
Lone Star Transmission, LLC Code of Conduct

(a) **Purpose**. The provisions of this Code of Conduct ("Code") establish safeguards to govern the interaction between Lone Star Transmission, LLC ("Lone Star") and its affiliates to avoid potential market-power abuses and cross-subsidization between regulated and unregulated activities.

(b) **No circumvention of the Code of Conduct.** Lone Star and its affiliates shall not circumvent the provisions or the intent of Public Utility Regulatory Act (PURA) §39.157 or any rules implementing that section by using any affiliate to provide information, services, products, or subsidies between a competitive affiliate and Lone Star. Nothing in this Code is intended to affect or modify the obligation or duties relating to any rules or standards of conduct that may apply to Lone Star or its affiliates under orders or regulations of the Federal Energy Regulatory Commission or the Securities and Exchange Commission.

(c) **Definitions**. The following words and terms when used in this section shall have the following meaning unless the context clearly indicates otherwise:

(1) **Affiliate** - means:

(A) a person who directly or indirectly owns or holds at least 5.0% of the voting securities of a public utility.

(B) a person in a chain of successive ownership of at least 5.0% of the voting securities of a public utility.

(C) a corporation that has at least 5.0% of its voting securities owned or controlled, directly or indirectly, by a public utility.

(D) a corporation that has at least 5.0% of its voting securities owned or controlled, directly or indirectly, by:

(i) a person who directly or indirectly owns or controls at least. 5.0% of the voting securities of a public utility; or

(ii) a person in a chain of successive ownership of at least 5.0% of the voting securities of a public utility.

(E) a person who is an officer or director of a public utility or of a corporation in a chain of successive ownership of at least 5.0% of the voting securities of a public utility; or

(F) a person determined to be an affiliate under PURA §11.006.

(2) **Arm's length transaction –** The standard of conduct under which unrelated parties, each acting in its own best interest, would carry out a particular transaction. Applied to related parties, a transaction is at arm's length if the transaction could have been made on the same terms to a disinterested third party in a bargained transaction.

(3) **Commission** – The Public Utility Commission of Texas.

(4) **Competitive affiliate** – An affiliate of Lone Star that provides services or sells products in a competitive energy-related market in the State of Texas, including telecommunications services, to the extent those services are energy-related.

(5) **Confidential information** – Any information not intended for public disclosure and considered to be confidential or proprietary by persons privy to such information. Confidential information includes but is not limited to information relating to the interconnection of customers to Lone Star's transmission system, proprietary customer information, trade secrets, competitive information relating to internal manufacturing processes, and information about Lone Star's transmission system, operations, or plans for expansion.

(6) **Corporate support services –** Services shared by a utility, its parent holding company, or a separate affiliate created to perform corporate support services, with its affiliates of joint corporate oversight, governance, support systems, and personnel. Examples of services that may be shared, to the extent the services comply with the requirements prescribed by PURA §39.157(d) and (g) and rules implementing those requirements, include human resources, procurement, information technology, regulatory services, administrative services, real estate services, legal services, accounting, environmental services, research and development unrelated to marketing activity and/or business development for the competitive affiliate regarding its services and products, internal audit, community relations, corporate communications, financial services, financial planning and management support, corporate services, corporate secretary, lobbying, corporate planning, engineering and construction services and transmission system operations, for Commission-jurisdictional or non-jurisdictional utilities, as described in waivers approved by the Public Utility Commission of Texas. Except as approved by the Commission, examples of services that may not be shared include engineering, purchasing of electric transmission facilities and service, transmission and distribution system operations, and marketing, unless such services are provided by a utility, or a separate affiliate created to perform such services, exclusively to affiliated regulated utilities and only for provision of regulated utility services.

(7) **Proprietary customer information** - Any information compiled by Lone Star on a customer in the normal course of providing electric service that makes possible the identification of any individual customer by matching such information with the customer's name, address, account number, type or classification of service, historical electricity usage, expected patterns of use, types of facilities used in providing service, individual contract terms and conditions, price, current charges, billing records, or any other information that the customer has expressly requested not be disclosed. Information that is redacted or organized in such a way as to make it impossible to identify the customer to whom the information relates does not constitute proprietary customer information.

(8) **Similarly situated** – The standard for determining whether a non-affiliate is entitled to the same benefit Lone Star offers, or grants upon request, to its competitive affiliate for any product or service. For purposes of this section, all non-affiliates serving or proposing to serve the same market as Lone Star's competitive affiliates are similarly. situated to Lone Star's competitive affiliates.

(9) **Transaction –** Any interaction between Lone Star and its affiliate in which a service, good, asset, product, property, right, or other item is transferred or received by either Lone Star or its affiliate.

(d) **Separation of Lone Star from its affiliates.**

(1) **Separate and independent entities.** Lone Star shall be a separate, independent entity from any competitive affiliate.

(2) **Sharing of employees, facilities, or other resources.** Except as otherwise allowed in this Code or otherwise approved by the Commission, Lone Star shall not share employees, facilities, or other resources with its competitive affiliates unless Lone Star can prove to the Commission prior to such sharing that the sharing will not compromise the public interest. Such sharing may be allowed if Lone Star implements adequate safeguards precluding employees of a competitive affiliate from gaining access to information in a manner that would allow or provide a means to transfer confidential information from Lone Star to an affiliate, create an opportunity for preferential treatment or unfair competitive advantage, lead to customer confusion, or create significant opportunities for cross-subsidization of affiliates.

(3) **Sharing of officers and directors, property, equipment, computer systems, information systems, and corporate support services.** Lone Star and a competitive affiliate may share common officers and directors, property, equipment, computer systems, information systems, and corporate support services, if Lone Star implements safeguards that the Commission determines are adequate to preclude employees of a competitive affiliate from gaining access to information in a manner that would allow or provide a means to transfer confidential information from Lone Star to an affiliate,

create an opportunity for preferential treatment or unfair competitive advantage, lead to customer confusion, or create significant opportunities for cross-subsidization of affiliates.

(4) **Employee transfers and temporary assignments.** Lone Star shall not assign, for less than one year, its employees engaged in transmission system operations to a competitive affiliate unless the employee does not have knowledge of confidential information. Lone Star employees engaged in transmission system operations, including persons employed by a service company affiliated with Lone Star who are engaged in transmission system operations on a day-to-day basis or have knowledge of transmission system operations and are transferred to a competitive affiliate, shall not remove or otherwise provide or use confidential property or information gained from Lone Star or affiliated service company in a discriminatory or exclusive fashion, to the benefit of the competitive affiliate or to the detriment of non- affiliated electric suppliers. Movement of an employee engaged in transmission system operations, including a person employed by a service company affiliated with Lone Star who is engaged in transmission system operations on a day to-day basis or has knowledge of transmission system operations from Lone Star to a competitive affiliate or vice versa, may be accomplished through either the employee's termination of employment with one company and acceptance of employment with the other, or a transfer to another company, as long as the transfer of an employee from Lone Star to an affiliate result in Lone Star bearing no ongoing costs associated with that employee. Transferring employees shall sign a statement indicating that they are aware of and understand the restrictions and penalties set forth in this section. Lone Star also shall post a conspicuous notice of such a transfer on its Internet site or other public electronic bulletin board within 24 hours and for at least 30 consecutive calendar days. The exception to this provision is that employees may be temporarily assigned to an affiliate or non- affiliated utility to assist in restoring power in the event of a major service interruption or assist in resolving emergency situations affecting system reliability. Within 30 days of such a deviation from the Code, Lone Star shall report this information to the Commission and shall conspicuously post the information on its Internet site or other public electronic bulletin board for 30 consecutive calendar days.

Sharing of office space. Lone Star's office space shall be physically separate from that of its competitive affiliates, where physical separation is accomplished by having office space in separate buildings or, if within the same building, by a method such as having offices on separate floors or with separate access, unless otherwise approved by the Commission.

(5) **Separate books and records.** Lone Star and its affiliates shall keep separate books of accounts and records, and the Commission may review records relating to a transaction between Lone Star and an affiliate.

(A) In accordance with generally accepted accounting principles or state and federal guidelines, as appropriate, Lone Star shall record all transactions with its affiliates, whether they involve direct or indirect expenses.

(B) Lone Star shall prepare financial statements that are not consolidated with those of its affiliates.

(C) Lone Star and its affiliates shall maintain enough records to allow for an audit of the transactions between Lone Star and its affiliates. At any time, the Commission may, at its discretion, require Lone Star to initiate, at Lone Star's expense, an audit of transactions between Lone Star and its affiliates performed by an independent third party.

(6) **Limited credit support by Lone Star.** Lone Star may share credit, investment, or financing arrangements with its competitive affiliates if it complies with the following provisions:

(A) Lone Star shall implement adequate safeguards precluding employees of a competitive affiliate from gaining access to information in a manner that would allow or provide a means to transfer confidential information from Lone Star to an affiliate, create an opportunity for preferential treatment or unfair competitive advantage, lead to customer confusion, or create significant opportunities for cross- subsidization of affiliates.

(B) Lone Star shall not allow a competitive affiliate to obtain credit under any arrangement that would include a specific pledge of any assets in the rate base of Lone Star or a pledge of cash reasonably necessary for Lone Star operations. This subsection does not affect Lone Star's obligations under other law or regulations, such as the obligations of a public utility holding company under Commission Substantive Rule §25.271(c)(2) (relating to Foreign Utility Company Ownership by Exempt Holding Companies).

(e) Transactions between Lone Star and its affiliates.

(1) **Transactions with all affiliates.** Lone Star shall not subsidize the business activities of any affiliate with revenues from a regulated service. In accordance with PURA and the Commission's rules, Lone Star and its affiliates shall fully allocate costs for any shared services, including corporate support services, offices, employees, property, equipment, computer systems, information systems, and any other shared assets, services, or products.

(A) **Sale of products or services by Lone Star.** Unless otherwise approved by the Commission and except for corporate support services, any sale of a product or service by Lone Star shall be governed by a tariff approved by the Commission. Products and services shall be made available to any third-party

entity on the same terms and conditions as Lone Star makes those products and services available to its affiliates.

(B) **Purchase of products, services, or assets by Lone Star from its affiliate.** Products, services, and assets shall be priced at levels that are fair and reasonable to the customers of Lone Star and that reflect the market value of the product, service, or asset.

(C) **Transfers of assets.** Assets transferred from Lone Star to its affiliates shall be priced at levels that are fair and reasonable to the customers of Lone Star and that reflect the market value of the assets or Lone Star's fully allocated cost to provide those assets.

(2) **Transactions with competitive affiliates.** Unless otherwise allowed in this subsection, transactions between Lone Star and its competitive affiliates shall be at arm's length. Lone Star shall maintain a contemporaneous written record of all transactions with its competitive affiliates, except those involving corporate support services and those transactions governed by tariffs. Such records, which shall include the date of the transaction, name of affiliate involved, name of a Lone Star employee knowledgeable about the transaction, and a description of the transaction, shall be maintained by Lone Star for three years. In addition to the requirements specified in paragraph (1) of this subsection, the following provisions apply to transactions between utilities and their competitive affiliates.

(A) **Provision of corporate support services.** Lone Star may engage in transactions directly related to the provision of corporate support services with its competitive affiliates. Such provision of corporate support services shall not allow or provide a means for the transfer of confidential information from Lone Star to the competitive affiliate, create the opportunity for preferential treatment or unfair competitive advantage, lead to customer confusion, or create significant opportunities for cross- subsidization of the competitive affiliate.

(B) **Purchase of products or services by Lone Star from its competitive affiliate.** Except for corporate support services, Lone Star may not enter into a transaction to purchase a product or service from a competitive affiliate that has a per unit value of $75,000 or more, or a total value of $1 million or more, unless the transaction is the result of a fair, competitive bidding process formalized in a contract.

(1) **Notice**. Lone Star shall provide reasonable notice of any request for proposals required pursuant to this section. Such notice shall include:

(A) notice by publication in trade journals or newspapers as appropriate.

(B) notice by mail to persons who previously requested to be notified of the request for proposals; and

(C) conspicuous notice on the utility's Internet site or other public electronic bulletin board.

(2) **Independent evaluator**. Lone Star shall use an independent evaluator when a competitive affiliate's bid is included among the bids to be evaluated. If an independent evaluator is required, Lone Star shall maintain a record of communications with the independent evaluator. The independent evaluator shall identify in writing the bids that are most advantageous and warrant negotiation and contract execution, in accordance with the criteria set forth in the request for proposals. Lone Star retains responsibility for final selection of products or services.

(3) **Competitive bidding procedures.** Lone Star shall make a request for proposals available to interested persons by conspicuously posting the request on its Internet site or other public electronic bulletin board.

(A) The request for proposals must clearly set forth the eligibility and selection criteria and shall specify the weight to be given to any non-cost selection criteria.

(B) Lone Star shall strictly enforce the criteria specified in the request for proposals.

(4) **Evaluation of bids**. Lone Star or independent evaluator, as appropriate, shall evaluate each bid submitted in accordance with the criteria specified in the request for proposals. Lone Star or independent evaluator may not give preferential treatment or consideration to any bid.

(5) **Rejection of bids**. Lone Star is not required to accept a bid and may reject any or all bids in accordance with the selection criteria specified in the request for proposals.

If a contract is awarded to an affiliate, Lone Star shall file with the Commission a signed copy of any contracts entered into with a competitive affiliate as the result of the fair, competitive bidding process described in this section. A contract shall include, at a minimum, the following provisions:

(1) the effective date of the agreement and parties to the agreement.

(2) the term of the agreement.

(3) a narrative describing the products or services provided to Lone Star, including a list by specific service of all the affiliated companies who provide or receive these services, or a narrative describing the assets being sold by Lone Star to the competitive affiliate.

(4) the obligations of the parties.

(5) the price for those products, services, or assets governed by the contract; and

(6) billing and payment procedures.

(C) **Transfers of assets.** Any transfer from Lone Star to its competitive affiliates of assets with a per unit value of $75,000 or more, or a total value of $1 million or more, must be the result of a fair, competitive bidding process subject to the provisions of the Commission's Substantive Rule §25.273 formalized in a contract.

(f) Safeguards relating to provision of products and services.

(1) **Products and services available on a non-discriminatory basis.** If Lone Star makes a product or service, other than corporate support services, available to a competitive affiliate, it shall make the same product or service available, contemporaneously and in the same manner, to all similarly situated entities, and it shall apply its tariffs, prices, terms, conditions, and discounts for those products and services in the same manner to all similarly situated entities. Lone Star shall process all requests for a product or service from competitive affiliates or similarly situated non-affiliated entities on a non-discriminatory basis. If Lone Star's tariff allows for discretion in its application, Lone Star shall apply that provision in the same manner to its competitive affiliates and similarly situated non-affiliates, as well as to their respective customers. If Lone Star's tariff allows no discretion in its application, Lone Star shall strictly apply the tariff. Lone Star shall not use customer-specific contracts to circumvent these requirements, nor create a product or service arrangement with its competitive affiliate that is so unique that no competitor could be similarly situated to utilize the product or service.

(2) **Discounts, rebates, fee waivers, or alternative tariff terms and conditions.** If Lone Star offers its competitive affiliate, or grants a request from its competitive affiliate for, a discount, rebate, fee waiver, or alternative tariff terms and conditions for any product or service, it must make the same benefit contemporaneously available, on a nondiscriminatory basis, to all similarly situated non-affiliates. Lone Star shall post a conspicuous notice on its Internet site or public electronic bulletin board for at least 30 consecutive calendar days providing the following information: the name of the competitive affiliate involved in the transaction; the rate charged; the normal rate or tariff condition; the period for which the benefit applies; the quantities and the delivery points involved in the transaction (if any); any conditions or requirements applicable to the benefit; documentation of any cost differential underlying the benefit; and the procedures by which non-affiliates may obtain the same benefit. Lone Star shall maintain records of such information for a minimum of three years, and shall make such records available for third party review within 72 hours of a written request, or at a time mutually agreeable to Lone Star and the third party. Lone Star shall not create any arrangement with its competitive affiliate that is so unique that no competitor could be similarly situated to benefit from the discount, rebate, fee waiver, or alternative tariff terms and conditions.

(3) **Tying arrangements prohibited.** Unless otherwise allowed by the Commission, Lone Star shall not condition the provision of any product, service, pricing benefit, or

alternative terms or conditions upon the purchase of any other good or service from Lone Star or its competitive affiliate.

(g) Information safeguards.

(1) **Proprietary customer information.** Lone Star shall provide a customer with the customer's proprietary customer information, upon request by the customer. Unless Lone Star obtains prior affirmative written consent or other verifiable authorization from the customer as determined by the Commission, or unless otherwise permitted under this Code, it shall not release any proprietary customer information to a competitive affiliate or any other entity, other than the customer, an independent transmission organization, as defined by PURA §39.151, or a provider of corporate support services for the sole purpose of providing corporate support services. Lone Star shall maintain records that include the date, time, and nature of information released when it releases customer proprietary information to another entity in accordance with this paragraph. Lone Star shall maintain records of such information for a minimum of three years and shall make the records available for third party review within 72 hours of a written request, or at a time mutually agreeable to Lone Star and the third party. When the third-party requesting review of the records is not the customer, Commission, or Office of Public Utility Counsel, the records may be redacted in such a way as to protect the customer's identity. If proprietary customer information is released to an independent organization or a provider of corporate support services, the independent organization or entity providing corporate support services is subject to the rules in this subsection with respect to releasing the information to other persons.

(A) **Exception for law, regulation, or legal process.** Lone Star may release proprietary customer information to another entity without customer authorization where authorized or requested to do so by the Commission or where required to do so by law, regulation, or legal process.

(B) **Exception for release to governmental entity.** Lone Star may release proprietary customer information without customer authorization to a federal, state, or local governmental entity or in connection with a court or administrative proceeding involving the customer or Lone Star; provided, however, that Lone Star shall take all reasonable actions to protect the confidentiality of such information, including, but not limited to, providing such information under a confidentiality agreement or protective order, and shall also promptly notify the affected customer in writing that such information has been requested.

(C) **Exception for release to providers of last resort.** Lone Star may provide. proprietary customer information to a provider of last resort without customer authorization for the purpose of serving customers who have been switched to the provider of last resort.

(2) **Nondiscriminatory availability of aggregate customer information.** Lone Star may aggregate non-proprietary customer information, including, but not limited to, information about Lone Star's energy purchases, sales, or operations or about Lone Star's energy-related goods or services. However, except in circumstances solely involving the provision of corporate support services in accordance with this Code, Lone Star shall aggregate non- proprietary customer information for a competitive affiliate only if Lone Star makes such aggregation service available to all non-affiliates under the same terms and conditions and at the same price as it is made available to any of its affiliates. In addition, no later than 24 hours prior to Lone Star's provision to its competitive affiliate of aggregate customer information, Lone Star shall post a conspicuous notice on its Internet site or other public electronic bulletin board for at least 30 consecutive calendar days, providing the following information: the name of the competitive affiliate to which the information will be provided, the rate charged for the information, a meaningful description of the information provided, and the procedures by which non- affiliates may obtain the same information under the same terms and conditions. Lone Star shall maintain records of such information for a minimum of three years and shall make such records available for third party review within 72 hours of a written request, or at a time mutually agreeable to Lone Star and the third party.

(3) **No preferential access to transmission information.** Lone Star shall not allow preferential access by its competitive affiliates to information about its transmission systems.

(4) **Other limitations on information disclosure.** Nothing in this Code is intended to alter the specific limitations on disclosure of confidential information in the Texas Utilities Code, the Texas Government Code, Chapter 552, or the Commission's substantive and procedural rules.

(5) **Other information.** Except as otherwise allowed in this Code or authorized by the Commission, Lone Star shall not share information, except for information required to perform allowed corporate support services, with competitive affiliates. Information that is publicly available, or that is unrelated in any way to utility activities, may be shared.

(h) Safeguards relating to joint marketing and advertising.

(1) Joint marketing, advertising, and promotional activities.

(A) Lone Star shall not:

(i) provide or acquire leads on behalf of its competitive affiliates.

(ii) solicit business or acquire information on behalf of its competitive affiliates.

(iii) give the appearance of speaking or acting on behalf of any of its competitive affiliates.

(iv) share market analysis reports or other types of proprietary or nonpublicly available reports, including, but not limited to, market forecast, planning, or strategic reports, with its competitive affiliates.

(v) represent to customers or potential customers that it can offer competitive retail services bundled with its tariffed services; or

(vi) request authorization from its customers to pass on information exclusively to its competitive affiliate.

(B) Lone Star shall not engage in joint marketing, advertising, or promotional activities of its products or services with those of a competitive affiliate in a manner that favors the affiliate. Such joint marketing, advertising, or promotional activities include, but are not limited to, the following activities:

(i) acting or appearing to act on behalf of a competitive affiliate in any communications and contacts with any existing or potential customers.

(ii) joint sales calls.

(iii) joint proposals, either as requests for proposals or responses to requests for proposals.

(iv) joint promotional communications or correspondence, except that Lone Star may allow a competitive affiliate access to customer bill advertising inserts according to the terms of a Commission- approved tariff so long as access to such inserts is made available on the same terms and conditions to non- affiliates offering similar services as the competitive affiliate that uses bill inserts.

(v) joint presentations at trade shows, conferences, or other marketing events within the State of Texas; and

(vi) providing links from Lone Star's Internet web site to a competitive affiliate's Internet web site.

(C) At a customer's unsolicited request, Lone Star may participate in meetings with a competitive affiliate to discuss technical or operational subjects regarding Lone Star's provision of transmission services to the customer, but only in the same manner and to the same extent Lone Star participates in such meetings with unaffiliated electric or energy services suppliers and their customers. Lone Star shall not listen to, view, or otherwise participate.

in any way in a sales discussion between a customer and a competitive affiliate or an unaffiliated electric or energy services supplier.

(2) **Requests for specific competitive affiliate information.** If a customer or potential customer makes an unsolicited request to Lone Star for information specifically about any of its competitive affiliates, Lone Star may refer the customer or potential customer to the competitive affiliate for more information. Under this paragraph, the only information that Lone Star may provide to the customer or potential customer is the competitive affiliate's address and telephone number. Lone Star shall not transfer the customer directly to the competitive affiliate's customer service office via telephone or provide any other electronic link whereby the customer could contact the competitive affiliate through Lone Star. When providing the customer or potential customer information about the competitive affiliate, Lone Star shall not promote its competitive affiliate or its competitive affiliate's products or services, nor shall it offer the customer or potential customer any opinion regarding the service of the competitive affiliate or any other service provider.

(3) **Requests for general information about products or services offered by competitive affiliates and their competitors.** If a customer or potential customer requests general information from Lone Star about products or services provided by its competitive affiliate or its affiliate's competitors, Lone Star shall not promote its competitive affiliate or its affiliate's products or services, nor shall Lone Star offer the customer or potential customer any opinion regarding the service of the competitive affiliate or any other service provider. Lone Star may direct the customer or potential customer to a telephone directory or to the Commission, or provide the customer with a recent list of suppliers developed and maintained by the Commission, but Lone Star may not refer the customer or potential customer to the competitive affiliate except as provided for in this subsection.

(i) Remedies and enforcement.

(1) **Ensuring compliance for new affiliates.** Lone Star and a new affiliate are bound by the Code immediately upon creation of the new affiliate. Upon the creation of a new affiliate, Lone Star shall immediately post a conspicuous notice of the new affiliate on its Internet site or other public electronic bulletin board for at least 30 consecutive calendar days. Within 30 days of creation of the new affiliate, Lone Star shall file an update to its internal Code and compliance plan, including all changes due to the addition of the new affiliate. Lone Star shall ensure that any interaction with the new affiliate is in compliance with this section.

(2) **Compliance Audits.** At a minimum, every three years, Lone Star shall have an audit prepared by independent auditors that verifies that Lone Star is in compliance with this Code. Lone Star shall file the results of each audit with the Commission within one month of the audit's completion. The cost of the audits shall not be charged to Lone Star ratepayers.

(3) **Informal complaint procedure.** Lone Star has established the complaint procedure for addressing alleged violations of this Code contained in Attachment A. All complaints shall be placed in writing and shall be referred to a designated officer of Lone Star. All complaints shall contain the name of the complainant and a detailed. factual report of the complaint, including all relevant dates, companies involved, employees involved, and the specific claim. The designated officer shall acknowledge receipt of the complaint in writing within five working days of receipt. The designated officer shall provide a written report communicating the results of the preliminary investigation to the complainant within thirty days after receipt of the complaint, including a description of any course of action that will be taken. In the event Lone Star and the complainant are unable to resolve the complaint, the complainant may file a formal complaint with the Commission. Lone Star shall notify the complainant of his or her right to file a formal complaint with the Commission and shall provide the complainant with the Commission's address and telephone number. Lone Star and the complainant shall make a good faith effort to resolve the complaint on an informal basis as promptly as practicable. The informal complaint process shall not be a prerequisite for filing a formal complaint with the Commission, and the Commission may, at any time, institute a complaint against Lone Star on its own motion.

(4) **Enforcement by the Commission.** A violation or series or set of violations of this section that materially impairs, or is reasonably likely to materially impair the ability of a person to compete in a competitive market shall be deemed an abuse of market power.

(A) In addition to other methods that may be available, the Commission may enforce the provisions of this rule by:

(i) seeking an injunction or civil penalties to eliminate or remedy the violation or series or set of violations.

(ii) suspending, revoking, or amending a certificate or registration as authorized by PURA §39.356; or

(iii) pursuing administrative penalties under PURA, Chapter 15, Subchapter B.

(B) The imposition of one penalty under this section does not preclude the imposition of other penalties as appropriate for the violation or series or set of violations.

(C) In assessing penalties, the Commission shall consider the following factors:

(i) the utility's prior history of violations.

(ii) the utility's efforts to comply with the Commission's rules, including the extent to which the utility has adequately and physically separated its office, communications, accounting systems, information systems, lines of authority, and operations from its affiliates, and efforts to enforce these rules.

(iii) the nature and degree of economic benefit gained by the utility's competitive affiliate.

(iv) the damages or potential damages resulting from the violation or series or set of violations.

(v) the size of the business of the competitive affiliate involved;

(vi) the penalty's likely deterrence of future violations; and

(vii) such other factors deemed appropriate and material to the particular circumstances of the violation or series or set of violations.

(j) **Reporting of Affiliate Transactions:** Lone Star shall comply with P.U.C. SUBST. R. 25.84 concerning reporting of affiliate transactions. The requirements of Sub. Rule 25.84 are as follows:

(A) **Purpose.** This section establishes reporting requirements for transactions between utilities and their affiliates.

(B) **Application.** This section applies to:

(1) electric utilities operating in the State of Texas as defined in the Public Utility Regulatory Act (PURA) §31.002(6), and transactions or activities between electric utilities and their affiliates, as defined in PURA §11.003(2); and

(2) transmission and distribution utilities operating in a qualifying power region in the State of Texas as defined in PURA §31.002(19) upon Commission certification of a qualifying power region pursuant to PURA §39.152, and transactions or activities between transmission and distribution utilities and their affiliates, as defined in PURA §11.003(2).

(C) **Definitions.** Any terms defined in Commission Substantive Rule §25.272 (relating to Code of Conduct for Electric Utilities and Their Affiliates) have the same meanings herein.

(D) **Annual report of affiliate activities.** A "Report of Affiliate Activities" shall be filed annually with the Commission. Using forms approved by the Commission, a utility shall report activities among itself and its affiliates in accordance with the requirements in this section. The report shall be filed by June 1, and shall encompass the period from January 1 through December 31 of the preceding year.

(E) **Copies of contracts or agreements.** A utility shall reduce to writing and file with the Commission copies of any contracts or agreements it has with its affiliates. The requirements of this subsection are not satisfied by the filing of an earnings report. All contracts or agreements shall be filed by June 1 of each year as attachments to the Report of Affiliate Activities required in subsection (d) of this section. In subsequent years, if no significant changes have been made to the contract or agreement, an amendment sheet may be filed in lieu of refiling the entire contract or agreement.

(F) **Tracking migration of employees.** A utility shall track and document the movement between the utility and its competitive affiliates of all employees engaged in transmission or distribution system operations, including persons employed by a service company affiliated with the utility who are engaged in transmission or distribution system operations on a day-to-day basis or have knowledge of transmission or distribution system operations. Employee migration information shall be included in the utility's Report of Affiliate Activities. The tracking information shall include an identification code for the migrating employee, the respective titles held while employed at each entity, and the effective dates of the migration.

(G) **Annual reporting of informal complaint resolution.** A utility shall report to the Commission information regarding the nature and status of informal complaints handled in accordance with the utility's procedures developed pursuant to Commission Substantive rule §25.272(i) (4) (relating to Code of Conduct for Electric Utilities and Their Affiliates). The information reported shall include the name of the complainant and a summary report of the complaint, including all relevant dates, companies involved, employees involved, the specific claim, and any actions taken to address the complaint. Such information on all informal complaints that were initiated or remained unresolved during the reporting period shall be included in the utility's Report of Affiliate Activities.

(H) **Reporting of deviations from the Code of Conduct.** A utility shall report information regarding the instances in which deviations from the Code were necessary to ensure public safety and system reliability pursuant to Commission Substantive Rule §25.272(d) (4). The information reported shall include the nature of the circumstances requiring the deviation, the action taken by the utility and the parties involved, and the date of the deviation. Within 30 days of each deviation, the utility shall report this information to the

Commission and shall conspicuously post the information on its Internet site or a public electronic bulletin board for 30 consecutive calendar days. Such information shall be summarized in the utility's Report of Affiliate Activities.

(I) **Annual update of compliance plans.** Initial plans for compliance with Commission Substantive Rule §25.272 (relating to Code of Conduct for Electric Utilities and Their Affiliates) shall be supplied as a part of the utility's unbundling plan filed pursuant to PURA §39.051. The utility shall post a conspicuous notice of newly created affiliates and file any related updates to the utility's compliance plan on a timely basis pursuant to Commission Substantive Rule §25.272(i) (2). Additionally, the utility shall ensure that its annual Report of Affiliate Activities reflects all approved changes to its compliance plans, including those changes that result from the creation of new affiliates.

Attachment A - Informal Complaint Procedure

Lone Star establishes this process by which alleged violations of the Commission's rules regarding the Code of Conduct will be investigated by an officer of Lone Star, and the results of that investigation will be communicated to the complainant. Lone Star's designated officer is the President of Lone Star at 5920 West William Cannon Drive, Building 2, Austin, Texas 78749.

Commission rules require that complaints pursuant to the Code of Conduct be placed in writing. The complaint must contain the name of the complainant and a detailed factual report of the complaint, including all relevant dates, companies involved, employees involved, and the specific claim. Lone Star will acknowledge receipt of the complaint within five working days of receipt and will provide a written report communicating the results of the preliminary investigation within 30 days after receipt of the complaint. The results will include a description of any course of action that will be taken.

In the event Lone Star is unable to resolve the complaint, the designated officer will notify the complainant of his or her right to file a formal complaint with the Commission and will provide the complainant with the Commission's address and telephone number. Lone Star will make a good faith effort to resolve the complaint on an informal basis as promptly as practicable. This informal complaint process is not a prerequisite for filing a formal complaint with the Commission. Lone Star will report annually information regarding the resolution of informal complaints as required by Commission rules.

Attachment B – List of Competitive Affiliates

List of Competitive Affiliates

- Appaloosa Run Wind, LLC;
- Axis Ridge Wind, LLC,
- Big Canyon Wind, LLC;
- Big Pasture Ranch Solar, LLC;
- Bluebell Energy Storage, LLC,
- Bluebell Solar, LLC;
- Bluebell Solar II, LLC;
- Blue Summit Interconnection, LLC;
- Blue Summit I Wind, LLC;
- Blue Summit II Wind, LLC;
- Blue Summit III Wind, LLC;
- Blue Summit Storage, LLC;
- Blue Summit II Storage, LLC;
- Bob Creek Wind, LLC;
- BT Fairview Solar, LLC;
- BT Hickerson Solar, LLC;
- Bonita Wind, LLC;
- Buena Vista Energy Center II, LLC;
- Callahan Wind Divide, LLC;
- Canyon Energy Storage, LLC,
- Canyon Wind Energy, LLC;
- Canyon Wind Farm, LLC;
- Canyon Wind II, LLC;
- Capricorn Bell Interconnection, LLC
- Cap Ridge Interconnection, LLC
- Cap Ridge Wind I, LLC;
- Cap Ridge Wind II, LLC;

- Cap Ridge Wind III, LLC;
- Cap Ridge Wind IV, LLC;
- Cardinal Solar, LLC;
- Carol Renewable Energy, LLC;
- Coldwater Creek Wind Energy, LLC;
- Compadre Solar, LLC;
- Compadre Energy Storage, LLC;
- Core Solar SPV VII, LLC;
- DG Central 1, LLC;
- DG Harvest Solar, LLC;
- DG Southwest Solar Portfolio 2019, LLC;
- DG Penwell North, LLC;
- DG Port Arthur, LLC,
- Diamondback Solar, LLC;
- Diver Solar, LLC;
- East Bay Farms, LLC;
- Erath County Solar, LLC;
- EverBright, LLC;
- Everbright Financing 2023, LLC
- EverBright R1, LLC;
- Flatland Energy Storage, LLC;
- Flatland Solar Energy, LLC;
- FPL Energy Texas Keir, LLC;
- FPL Energy Texas, LLC;
- Firewheel Transmission, LLC;
- Firewheel Wind Energy, LLC;
- Frontier Utilities, LLC;
- Gexa Energy, L.P.;
- Gexa Energy Solutions, LLC; •
- Great Prairie Wind, LLC;
- Great Prairie Wind II, LLC;
- Great Prairie Wind III, LLC;
- Hale Wind Energy, LLC;

- Hale Wind Energy II, LLC;
- Hale Wind Energy III, LLC;
- Hickerson Energy Storage, LLC,
- High Majestic Wind Energy Center LLC;
- High Majestic Wind I, LLC;
- High Majestic Wind II, LLC;
- High Majestic Interconnection Services, LLC;
- Horse Hollow Generation Tie, LLC;
- Horse Hollow Wind I, LLC;
- Horse Hollow Wind II, LLC;
- Horse Hollow Wind III, LLC;
- Horse Hollow Wind IV, LLC;
- Horse Hollow Wind III Energy Storage, LLC,
- Hubbard II Energy Storage, LLC,
- Hubbard Wind, LLC;
- Hubbard Wind II, LLC;
- Indian Mesa Wind, LLC;
- Inertia Energy Storage, LLC;
- Inertia Interconnect, LLC;
- Javelina Interconnection, LLC;
- Javelina Wind Energy, LLC;
- Javelina Wind Energy II, LLC;
- Kaufman Solar, LLC;
- King Mountain Upton Wind, LLC;
- King Mountain Solar, LLC;
- King Mountain Energy Storage, LLC;
- Lacy Creek Energy Storage, LLC,
- Lacy Creek Wind, LLC;
- Lake Whitney Solar, LLC;
- Liberty Grand Solar, LLC;
- Lorenzo Wind, LLC;
- Midway Ranch Solar, LLC;
- Midwest Energy, Inc.,

- Mitchell Wind, LLC;
- Moss Hill, LLC;
- NEPM II, LLC;
- NextCity Networks, LLC;
- NextCity Networks Texas, LLC;
- NextEra Energy Marketing, LLC;
- North Bayside Solar, LLC;
- North Plains Wind I, LLC;
- Hart Wind, LLC,
- Odyssey Solar Holdings, LLC,
- Oslo Wind, LLC;
- Pandora Solar, LLC;
- Palo Duro Wind, LLC;
- Palo Duro Wind Energy, LLC;
- Palo Duro Wind Energy II, LLC;
- Palo Duro Wind Interconnection Services, LLC;
- Post Wind, LLC;
- Power Wizard, LLC;
- Premier Power Solutions, LLC;
- Red Raider Wind, LLC;
- Rising Star Solar, LLC;
- Roadrunner Crossing Energy Storage, LLC;
- Roadrunner Crossing Wind Farm, LLC;
- Roaring Springs Solar, LLC;
- Saragosa Del Sol, LLC;
- Shamrock Wind, LLC;
- Shamrock Energy Storage, LLC,
- Sighten, Inc.;
- Silverton Solar, LLC; Skyrider Wind, LLC;
- Stafford Energy Storage, LLC,
- Stetson Renewables Holdings, LLC;
- Throckmorton Wind, LLC;
- Tiger Solar Holdings, LLC;

- Torrecillas Energy Storage, LLC;
- Torrecillas Interconnection, LLC;
- Torrecillas Wind Energy, LLC;
- Tower Associates, LLC;
- TX Energy Dev, LLC;
- Usource, L.L.C.;
- Verily Solar, LLC;
- Waco Solar, LLC;
- West Texas Wind Energy Partners, L.P.;
- White Mesa Wind, LLC;
- Wildcat Ranch Wind Project, LLC;
- Wildcat Ranch Energy Storage, LLC;
- Wolf Creek Wind Energy, LLC;
- Wolf Ridge Wind, LLC;
- Wolf Ridge Wind Energy, LLC;
- Woodward Mountain Wind, LLC;
- Yaupon Solar Energy Storage, LLC
- Yellow House Solar, LLC;
- Yellow House Wind, LLC;
- Young Wind, LLC;
- Zapata Wind Energy, LLC, and
- ZSS Power, LLC

Attachment C – Reporting Forms

LST001 – Informal Complaint Resolution

LST002 – Deviations from the Code of Conduct

LST003 – Employee Transfer Tracking

LST004 – Employee Transfer Affidavit

LST005 – Temporary Assignment Request Form

LST006 – Transactions with Competitive Affiliates

LST007 – Discounted Transactions with Competitive Affiliates

LST008 – Release of Customer Proprietary Information

LST009 – Request to Share Lone Star Confidential Information

LST010 – Employee Confidential Information Affidavit

NextEra Energy
Lone Star Code of Conduct Compliance Plan
November 22, 2024
LST001 INFORMAL COMPLAINT RESOLUTION SECTION 7.2.1

This form is to be used to document and record all informal complaints alleging a violation of the Lone Star Code of Conduct.

COMPLAINT INFORMATION TO BE RECORDED:

1. Name of the complainant: _____
2. Summary of the complaint (including a description of the specific claim and any actions taken by Lone Star to address the complaint): _____

_____
_____
_____

3. All relevant dates regarding the complaint: _____
4. The names of the companies that are alleged to be involved:_____
5. The names of the employees that are alleged to be involved:_____

Reviewed by:

_____ _____
President of Lone Star Date

LST002 DEVIATIONS FROM THE CODE OF CONDUCT SECTIONS 5.1.4 & 9.2

This form is to be used to document all instances in which deviations from the Code of Conduct to ensure public safety and system reliability occur and employees of Lone Star may be temporarily assigned to an affiliate or non-affiliated utility, or competitive affiliate employees may be assigned to Lone Star, to assist in restoring power in the event of a major service interruption or assist in resolving emergency situations affecting system reliability (applicable deviation).

APPLICABLE DEVIATION INFORMATION TO BE RECORDED:

1. Description of the event or nature of the circumstances requiring the deviation:
   _____
   _____
   _____
   _____

2. Action taken by Lone Star:
   _____
   _____
   _____
   _____

3. Names, titles, and employee personnel numbers of individuals or departments involved in the event/deviation:
   _____
   _____
   _____
   _____

4. Date of the event/deviation:
   _____
   _____

Prepared by:

_____ _____
Director of Regulatory Affairs Date

NextEra Energy
Lone Star Code of Conduct Compliance Plan
November 22, 2024
LST003 EMPLOYEE TRANSFER TRACKING SECTION 5.1.3

This form is to be used to track and document the movement of a Lone Star transmission operations employee transferring to a competitive affiliate, or the movement of a competitive affiliate employee to Lone Star transmission operations.

The transferring employee must sign the Employee Affidavit certifying that the employee will not remove or otherwise provide or use proprietary property or information gained from the utility in a discriminatory or exclusive fashion to the benefit of a competitive affiliate or to the detriment of a non-affiliated electric supplier.

EMPLOYEE TRANSFER INFORMATION TO BE RECORDED:

1. Employee name: _____
2. Employee personnel number: _____
3. Employee job title, department and company: _____
4. Name of the competitive affiliate:_____
5. Employee job title at the competitive affiliate: _____
6. Effective date of the transfer or migration:_____
7. Employee signature:_____

Approved by:

_____ _____
Director of Regulatory Affairs Date

_____ _____
Lone Star President Date

LST004 EMPLOYEE TRANSFER AFFIDAVIT SECTION 5.1.3

BEFORE ME, undersigned authority, on this day appeared _____, an employee of _____, who being by me duly sworn, upon oath says:

I have been trained in Lone Star's Code of Conduct regarding any employee transferring from Lone Star to a competitive affiliate or competitive affiliate employee transferring to Lone Star, who is engaged in transmission system operations, or has knowledge of transmission system operations. I understand that I shall not remove or otherwise provide or use proprietary property or information gained from Lone Star in a discriminatory or exclusive fashion to the benefit of the competitive affiliate or to the detriment of nonaffiliated electric suppliers. I further understand that I may not transfer, or be assigned, for an assignment that is less than one year in duration. I understand that if I violate these restrictions, I am subject to penalties as prescribed in the Lone Star Code of Conduct and the Compliance Plan; and that Lone Star is subject to penalties as prescribed in the PUCT Substantive Rules.

_____
Employee Signature

SUBSCRIBED AND SWORN TO before me on the _____ day of _____, _____.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

NextEra Energy
Lone Star Code of Conduct Compliance Plan
November 22, 2024

LST005 TEMPORARY ASSIGNMENT REQUEST FORM SECTION 5.1.4

This form is to be used to document that temporary assignment of a Lone Star employee to an affiliate or non-affiliated utility or of a competitive affiliate employee to Lone Star, was required and is consistent with the Code of Conduct. Prior to any temporary assignment to assist in restoring power in the event of a major service interruption, or to assist in resolving emergency situations affecting system reliability, the Lone Star Director of Operations shall complete this temporary assignment request form. This form must be signed by the President of Lone Star, or if the President is unavailable, then by the Lone Star Director of Regulatory Affairs.

NEED FOR TEMPORARY ASSIGNMENT OF COMPETITIVE AFFILIATE EMPLOYEE(S):

1. Director of Operations name (print):
   _____

2. Date of major service interruption or emergency situation affecting system reliability: _____

3. Brief description of event:
   _____
   _____
   _____

4. When is temporary assignment needed? ( ) immediately ( ) within next 24 hours ( ) within next week (check one)

5. Has the Director of Regulatory Affairs been notified? ( ) yes ( ) no
   (If checked no, the President of Lone Star shall provide a copy of the completed form to Manager.)

_____ _____
Signature of Director of Operations Date

Approved by:

_____ _____
President of Lone Star Date

OR, if President of Lone Star not available:

_____ _____
Director of Regulatory Affairs Date

NextEra Energy
Lone Star Code of Conduct Compliance Plan
November 22, 2024

LST006 TRANSACTIONS WITH COMPETITIVE AFFILIATES SECTION 5.7.1

This form is to be used for all transactions between Lone Star and any competitive affiliate that are not documented by another written agreement.

Transactions for permitted "corporate support services" or tariffed services **do not** require documentation.

For a listing of competitive affiliates, see Attachment B to the Lone Star Compliance Plan, as may be updated from time to time, or contact the Lone Star Director of Regulatory Affairs.

AFFILIATE TRANSACTION INFORMATION TO BE RECORDED:

1. Date of the transaction: _____
2. Name of the affiliate involved: _____
3. Name of Lone Star employee involved:_____
4. Description of the transaction (*e.g.,* product or service involved in the transaction, monetary value of the transaction):_____

   _____

   _____

   _____
5. Attach additional documentation as necessary to describe the transaction.

Reviewed by:

_____ _____
Director of Regulatory Affairs Date

LST007 DISCOUNTED TRANSACTIONS WITH COMPETITIVE FFILIATES SECTION 5.7.4

This form is to be used to document all discounts, rebates, fees, waivers, or alternative tariff terms and conditions between Lone Star and any competitive affiliate of Lone Star.

Transactions for permitted "corporate support services" or tariffed services **do not** require documentation. However, any discount, rebate, fee, waiver, or alternative tariff terms and conditions given to the competitive affiliate **must be** documented.

For a listing of competitive affiliates, see Attachment B to the Lone Star Compliance Plan, as may be updated from time to time, or contact the Lone Star Director of Regulatory Affairs.

COMPETITIVE AFFILIATE TRANSACTION INFORMATION TO BE RECORDED:

1. Name of the competitive affiliate involved: _____
2. The Lone Star rate charged: _____
3. The Lone Star normal rate or tariff condition(s): _____
4. The period for which the benefit applies:_____
5. The quantities and the delivery points involved in the transaction (if any): _____

   _____
6. Description of any conditions or requirements applicable to the benefit, along with the documentation of any cost differential underlying the benefit, and the procedures by which nonaffiliates may obtain the same benefit:_____

   _____
7. Attach additional documentation as necessary to describe the transaction.

Approved by:

_____ _____
President of Lone Star Date

NextEra Energy
Lone Star Code of Conduct Compliance Plan
November 22, 2024

LST008 RELEASE OF CUSTOMER PROPRIETARY INFORMATION SECTION 6.1

This form is to be used to document instances in which Lone Star releases customer proprietary information consistent with the Code of Conduct.

1. Name and title of employee requesting to release Customer's proprietary information (print):

   _____

2. Name and address of Customer: _____

3. Date and time of release: _____

4. Reason for release: _____

5. Name and address of the entity to receive Customer's proprietary information: _____

   _____

6. Was Customer's written consent obtained if applicable and is it attached? ( ) yes ( ) no ( ) N/A

7. Does the Customer's written consent match the entity to receive the information? ( ) yes ( ) no ( ) N/A

Approved by:

_____ _____

Director of Regulatory Affairs Date

NextEra Energy
Lone Star Code of Conduct Compliance Plan
November 22, 2024
LST009 REQUEST TO SHARE LONE STAR CONFIDENTIAL INFORMATION SECTION 5.1.2

1. Requestor's name, title, Business Unit, location, e-mail address, and office phone:

_____

2. The name, title, Business Unit, location, e-mail address, and office phone for the person you with which you wish to share Lone Star Information:

_____

3. A brief description of the Lone Star Information you wish to share:_____

_____

_____

4. A brief description of why you wish to share the Lone Star Information:_____

_____

_____

5. Whether the person with whom you wish to share has taken the Lone Star Code of Conduct training (check one):
   ( ) yes ( ) no ( ) do not know

The following sections are to be filled out by the Director of Regulatory Affairs and returned to requestor; the requestor must not share Lone Star Information unless approved via this form.

6. It is confirmed that the person to receive Lone Star Information has completed Lone Star Code of Conduct training: ( ) yes or ( ) no

7. It is confirmed that the person to receive Lone Star Information is not a competitive affiliate employee:
   ( ) yes or ( ) no

8. It is confirmed that the person to receive Lone Star Information has a business need for the information ( ) yes ( ) no; if no, provide brief explanation

9. The request is approved: ( ) yes ( ) no; if no, provide brief explanation

10. If this information was shared during a system emergency, is Lone Star Code of Conduct training and the Employee Confidential Information Affidavit applicable? ( ) yes ( ) no

Approved by:

_____ _____

Director of Regulatory Affairs Date

LST010 EMPLOYEE CONFIDENTIAL INFORMATION AFFIDAVIT SECTION 5.1.2

BEFORE ME, undersigned authority, on this day appeared _____, an employee of _____, who being by me duly sworn, upon oath says:

I have been trained in Lone Star's Code of Conduct and I understand that I shall not remove or otherwise provide or use proprietary property or information gained from Lone Star in a discriminatory or exclusive fashion to the benefit of the competitive affiliate or to the detriment of non-affiliated electric suppliers. I further understand that if I violate these restrictions, I am subject to penalties as prescribed in the Lone Star Code of Conduct and the Compliance Plan; and that Lone Star is subject to penalties as prescribed in the PUCT Substantive Rules.

_____
Employee Signature

SUBSCRIBED AND SWORN TO before me on the _____ day of _____, _____.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____