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Description of document: **Department of Energy (DOE) ethics waivers, 2005-2010**

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Source of document: FOIA Officer  
United States Department of Energy  
1000 Independence Avenue, SW  
Washington, DC 20585  
[Online FOIA request form](#)

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## Department of Energy

Washington, DC 20585

SEP 08 2010

Re: HQ-2010-01902-F

This letter is in response to the request for information you sent to the Department of Energy (DOE) under the Freedom of Information Act (FOIA), 5 U.S.C. § 552. You requested that we provide you copies of any ethics waivers issued since January 1, 2005.

The Office of the General Counsel located documents responsive to your request. The search was conducted on August 17, 2010. The Office of the General Counsel's search located responsive documents which are being withheld in part pursuant to Exemption 6 of the FOIA, 5 U.S.C. 552(b)(6) and 18 U.S.C. § 208(d).

Exemption 6 of the FOIA, 5 U.S.C. § 552(b)(6), 10 C.F.R. § 1004.10(b)(6), protects information about individuals in "personnel and medical files and similar files" when the disclosure of such information "would constitute a clearly unwarranted invasion of personal privacy." 18 U.S.C. § 208(d) grants an exemption to disclosure of waivers under 18 U.S.C. § 208(b)(1) and (b)(3) when the information describing each financial interest is "more extensive than that required of the individual in his or her financial disclosure report under the Ethics in Government Act of 1978."

In order to determine whether a document may be withheld under Exemption 6, an agency must undertake a three-step analysis. First, the agency must determine whether a significant privacy interest would be compromised by the disclosure of the record. If no privacy interest is identified, the document may not be withheld pursuant to Exemption 6. Second, the agency must determine whether the release of the document would further the public interest by shedding light on the operations and activities of the Government. Third, the agency must balance the identified privacy interests against the public interest in order to determine whether release of the document would constitute a clearly unwarranted invasion of personal privacy under Exemption 6.

Portions deleted from the documents enclosed contain personal financial interest information in excess of the financial disclosure requirements of Department of Energy personnel for whom the waiver was granted. A significant privacy interest of the Department of Energy personnel employee would be compromised by the release of this information. For this reason the information is being withheld.

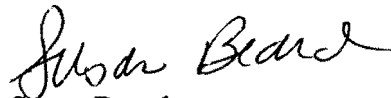
Pursuant to 10 C.F.R. § 1004.7(b)(2), I am responsible for the determination to withhold the information in the documents under Exemption 6 and 18 U.S.C. § 208(d).

Pursuant to 10 C.F.R. § 1004.8, you may challenge the determination to withhold information from the documents by submitting a written appeal to the Director, Office of Hearings and Appeals, L'Enfant Plaza Building, U.S. Department of Energy, 1000 Independence Avenue, SW, Washington, DC 20585-1615.

The written appeal, including the envelope, must clearly indicate it is a FOIA appeal. The appeal must contain all elements required by 10 C.F.R. § 1004.8 to the extent applicable. Judicial review will thereafter be available to you (1) in the District of Columbia, (2) in the district where you reside, (3) in the district where you have your principal place of business, or (4) in the district where the DOE records are located.

If you have any questions, you may contact me at (202) 586-1522.

Sincerely,

A handwritten signature in black ink that reads "Susan Beard". The signature is fluid and cursive, with the first name "Susan" and last name "Beard" clearly distinguishable.

Susan Beard

Assistant General Counsel for General Law

CC: Alexander C. Morris

FOIA HQ-2010-01902-F Index

1. Ethics Waivers. 103 pages of ethics waiver documents released in their entirety.
2. Ethics Waivers- 3 waivers consisting of 7 pages released in part. Withhold in part- exemption (b) (6) document contains information, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.



The Deputy Secretary of Energy  
Washington, DC 20585

July 2, 2010

MEMORANDUM FOR BOB GRAHAM

CO-CHAIR

NATIONAL COMMISSION ON THE BP DEEPWATER  
HORIZON OIL SPILL AND OFFSHORE DRILLING

FROM:

DANIEL B. PONEMAN

SUBJECT:

Conflict of Interest Waiver Pursuant to 18 U.S.C. § 208(b)(3)

This memorandum grants you a waiver pursuant to 18 U.S.C. § 208(b)(3), to allow your participation as a member of the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling ("Commission"), an advisory committee established by Executive Order 13543 on May 22, 2010.

Section 208(a), Title 18, United States Code, prohibits you from participating personally and substantially, as a Government employee, in any particular matter in which, to your knowledge, you or your spouse, minor child, general partner, or any person or organization in which you are serving as officer, director, trustee, general partner, or employee, or any person or organization with whom you are negotiating or have any arrangement concerning prospective employment, has a financial interest. This prohibition applies equally to special Government employees (SGEs).<sup>1</sup> Section 208(b)(3) provides that subsection (a) shall not apply if, in the case of a SGE serving on an advisory committee within the meaning of the Federal Advisory Committee Act (FACA), the official responsible for the SGE's appointment, or his designee, certifies in writing that the need for the employee's service outweighs the potential for a conflict of interest created by the financial interest involved.<sup>2</sup>

The objective of the Commission is to examine the relevant facts and circumstances concerning the root causes of the Deepwater Horizon explosion, fire, and oil spill, and to develop options to guard against and mitigate the impact of any oil spills associated with offshore drilling in the future. In developing such options, the Commission must consider the environmental, public health, and economic effects of such options, including those options that involve: improvements to Federal laws, regulations, and industry practices applicable to offshore drilling that would ensure effective oversight,

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<sup>1</sup> 18 U.S.C. § 202(a).

<sup>2</sup> Pursuant to Executive Order 12674 and a delegation from the Secretary of Energy, I have the authority to issue conflict-of-interest waivers for SGEs serving on advisory committees.



monitoring, and response capabilities; protecting public health and safety, occupational health and safety, and the environment and natural resources; addressing affected communities; and organizational or other reforms of Federal agencies or processes necessary to ensure such improvements are implemented and maintained.

As part of your duties, you will be responsible for providing your expertise to the President in addressing how to prevent – and mitigate the impact of – any future spills that result from offshore drilling. Specifically, the Commission will work to determine the causes of this catastrophe and the safety and environmental protections we need to prevent a similar disaster from happening again. In order to fulfill this mission in such a short timeframe, individuals with a deep understanding of the technology and operation of offshore drilling platforms, environmental standards, health standards, industry practices, and the economic impacts of such disasters on the Nation are needed.

The President is looking to the Commission to assist in the United States' efforts in determining the root causes of this national disaster and prevent a repeat of such catastrophe. You served two terms as Florida's governor, and represented Florida as a United States Senator for almost twenty years. During that time, you earned a reputation as a champion of the environment, leading the most extensive environmental protection effort in the state's history. Following your retirement from the U.S. Senate, you served as Chairman of the Commission on the Prevention of Weapons of Mass Destruction Proliferation and Terrorism whose mandate was to build on the work of the 9/11 Commission. Recently, you were also appointed to serve as a Commissioner on the Financial Crisis Inquiry Commission, established by Congress to examine the global and domestic causes of the recent financial crisis. That Commission will provide its findings and conclusions in a final report due to Congress on December 15, 2010. Lastly, you have been recognized by national and Florida organizations for your public service including The Woodrow Wilson Institute award for Public Service, The National Park Trust Public Service award and The Everglades Coalition Hall of Fame. It is this experience that uniquely qualifies you to serve as a Co-Chair of this Commission.

You have disclosed a number of investment interests that could potentially be affected by the advice of the Commission. Specifically, you have a stock interest in the following companies: Apache Corporation, Chevron Corporation, Devon Energy Corporation, ENI SPA SPONS ADR, Gazprom OAO Spons ADR, Helmerich & Payne Inc., Hess Corporation, Occidental Petroleum Corporation, Petroleo Brasileiro SA ADR, Repsol SA Sponsored ADR, Royal Dutch Shell PLC ADR, Statoilhydro ASA SPONS, Talisman Energy, Inc., Total SA SPONS ADR, XTO Energy Inc., National Grid PLC, EON AG ADS, GDF Suez SP ADR, and Ishares Trust of Dow Jones US Energy Sector. The assets you own qualify, individually, as de minimis holdings under section 5 C.F.R. § 2640, Subpart B. In the unlikely event, however, that a specific party matter affects some or all of the companies in which you have an interest, the aggregate value of your interests may exceed the de minimis limits set forth in regulation. As a cautionary measure, this waiver

is being issued to allow you to participate in any particular matter that has a direct and predictable affect upon the financial interests of these entities.

Moreover, you have informed Department officials that you voluntarily sold your stock interest in BP and Transocean in order to remedy an actual conflict of interest. This action will mitigate any real or apparent conflict of interest.

You have also advised that you serve on the Board of Directors of the Graham Companies, Bok Tower Gardens, Wellcare Health Plans, American Institute of Certified Public Accountants, and ACT, Inc. Pursuant to 18 U.S.C. 208, you cannot participate in particular matters that have a direct and predictable effect upon the financial interests of organizations in which you serve as a member of the Board of Directors, unless you first obtain a written waiver or qualify for a regulatory exemption. Therefore, in the unlikely event that such matter arises, this waiver shall apply to any particular matters that have a direct and predictable effect upon the financial interests of Graham Companies, Bok Tower Gardens, Wellcare Health Plans, American Institute of Certified Public Accountants, and ACT, Inc.

You have further advised Department officials you serve on advisory boards of the H. Lee Moffitt Cancer Center & Research Institute. Although this position does not create a conflict of interest within the meaning of 18 U.S.C. §208, it is appropriate to mention it because it creates a covered relationship pursuant to 5 C.F.R. §2635.502. As a result, you are required to be recused from a particular matter involving specific parties in which H. Lee Moffitt Cancer Center & Research Institute is a party or represents a party, unless authorized. It is highly unlikely that such matter will arise; however, in the event it does, I authorize your participation because your service on the Commission outweighs the appearance of a conflict, pursuant to 5 C.F.R. § 2635.502(d).

Balancing the potential for conflict based on the assets represented in your total portfolio and positions, against your unique qualifications, extensive knowledge of the oil and gas industry gained through your experiences in the Federal government, non-profit organizations, and private industry, and your availability to serve on this committee, it is appropriate to issue this waiver. Significant to this analysis is that fact that the companies and organizations in which you have a financial interest have different interests with respect to the various issues surrounding the work of the Commission. All of these companies and organizations may not have simultaneous interests in each stage of the Commission's study; rather, their interests may be limited to various specific inquiries, meaning that the conflict is likely to be more limited than all of assets listed above

Federal advisory committees, like the Commission, are also unavoidably composed of persons who have been employed by or have other interests in the subject matter related to Commission. The fact that a member may have a financial interest that may be affected is simply unavoidable in view of the work and membership of the Commission. Furthermore, the purpose of a Federal advisory committee is to provide advice and

recommendations to the Federal government. Your position is advisory in nature, and you do not, nor does any other Commissioner, have the authority to issue a final decision binding the Federal government. Federal advisory committees are also subject to FACA which requires that the membership of the Commission be balanced in its viewpoints. This balance dilutes the impact any one member has over the Commission. Lastly, FACA requires that Commission recommendations be deliberated in public. The requirement that this be a transparent process gives the public the opportunity to participate and comment on positions taken by Commissioners and the Commission as a whole.

The President chose you to lead this unprecedented effort because of the expertise you have gained through your past and current positions which will be an invaluable asset to the Commission as it addresses this national emergency. As such, I find that the need for your services outweighs the potential for a conflict of interest created by your financial interests. This waiver shall apply to particular matters of general applicability and specific party matters affecting the companies, organizations, and other financial interests listed above insofar as it creates a conflict of interest with your official duties on the Commission.

Pursuant to 5 C.F.R. § 2640.303, the Office of Government Ethics has been consulted on this waiver, has no objection to its issuance, and will be provided with a copy of it.

cc: Susan Beard, Designated Agency Ethics Official





The Deputy Secretary of Energy  
Washington, DC 20585

July 2, 2010

MEMORANDUM FOR CHERRY A. MURRAY

MEMBER

NATIONAL COMMISSION ON THE BP DEEPWATER  
HORIZON OIL SPILL AND OFFSHORE DRILLING

FROM:

DANIEL B. PONEMAN

SUBJECT:

Conflict of Interest Waiver Pursuant to 18 U.S.C. §208(b)(3)

This memorandum grants you a waiver pursuant to 18 U.S.C. § 208(b)(3), to allow your participation as a member of the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling ("Commission"), an advisory committee established by Executive Order 13543 on May 22, 2010.

Section 208(a), Title 18, United States Code, prohibits you from participating personally and substantially, as a Government employee, in any particular matter in which, to your knowledge, you or your spouse, minor child, general partner, or any person or organization in which you are serving as officer, director, trustee, general partner, or employee, or any person or organization with whom you are negotiating or have any arrangement concerning prospective employment, has a financial interest. This prohibition applies equally to special Government employees (SGEs).<sup>1</sup> Section 208(b)(3) provides that subsection (a) shall not apply if, in the case of a SGE serving on an advisory committee within the meaning of the Federal Advisory Committee Act (FACA), the official responsible for the SGE's appointment, or his designee, certifies in writing that the need for the employee's service outweighs the potential for a conflict of interest created by the financial interest involved.<sup>2</sup>

The objective of the Commission is to examine the relevant facts and circumstances concerning the root causes of the Deepwater Horizon explosion, fire, and oil spill, and to develop options to guard against and mitigate the impact of any oil spills associated with offshore drilling in the future. In developing such options, the Commission must consider the environmental, public health, and economic effects of such options, including those options that involve: improvements to Federal laws, regulations, and industry practices applicable to offshore drilling that would ensure effective oversight, monitoring, and response capabilities; protecting public health and safety, occupational

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<sup>1</sup> 18 U.S.C. § 202(a).

<sup>2</sup> Pursuant to Executive Order 12674 and a delegation from the Secretary of Energy, I have the authority to issue conflict-of-interest waivers for SGEs serving on advisory committees.



health and safety, and the environment and natural resources; addressing affected communities; and organizational or other reforms of Federal agencies or processes necessary to ensure such improvements are implemented and maintained.

As part of your duties, you will be responsible for providing your expertise to the President in addressing how to prevent – and mitigate the impact of – any future spills that result from offshore drilling. Specifically, the Commission will work to determine the causes of this catastrophe and the safety and environmental protections we need to prevent a similar disaster from happening again. In order to fulfill this mission in such a short timeframe, individuals with a deep understanding of the technology and operation of offshore drilling platforms, environmental standards, health standards, industry practices, and the economic impacts of such disasters on the Nation are needed.

The President is looking to the Commission to assist in the United States' efforts in determine the root causes of this national disaster and prevent a repeat of such catastrophe. You were recently appointed Dean of Harvard University's School of Engineering and Applied Sciences (SEAS). Prior to this appointment, you served as the Principal Associate Director for Science and Technology at Lawrence Livermore National Laboratory, where you led 3,500 employees in providing core science and technology support for LLNL's major programs. Before joining LLNL, you enjoyed a long career at Bell Laboratories. You started your career at Bell Laboratories in 1978, as a staff scientist and worked your way up to the Vice President for Physical Sciences and Wireless Research. Over the course of your career, you have conducted various experiments using light scattering, you have led the study of soft condensed matter and complex fluids, and studied other diverse topics in condensed matter physics. As a result of your scientific accomplishments, you were elected to the National Academy of Science in 1999, the American Academy of Arts and Sciences in 2001, and the National Academy of Engineering in 2002. You have also been awarded many distinguished awards, most notably in 1989, you won the American Physical Society's Maria Goeppert-Mayer Award for outstanding achievement by a woman physicist in the early years of her career, and in 2005, you were awarded the American Physical Society's George E. Pake Prize in recognition of outstanding work combining original research accomplishments with leadership and development in industry. In 2002, Discover Magazine also named you one of the "50 Most Important Women in Science." It is this expertise that uniquely qualifies you to serve as a member of this Commission.

You have disclosed several investment interests that could potentially be affected by the advice of the Commission. Specifically, you have a stock interest in AT&T, Comcast, LSI Corporation, NCR Corporation, and Teradata Corporation. In accordance with 5 C.F.R. § 2640.202, your interest in each asset and the aggregate value of these assets is considered de minimis. However, this waiver is being issued as a cautionary matter to allow you to participate in any particular matter that has a direct and predictable affect upon the financial interests of these companies.

In addition to your employment with Harvard University, you serve on the Board of Directors of the American Association for the Advancement of Science. Pursuant to 18 U.S.C. 208, you cannot participate in particular matters that have a direct and predictable effect upon the financial interests of organizations in which you serve as a Board Member or employee, unless you first obtain a written waiver or qualify for a regulatory exemption. This waiver shall apply to any particular matters that have a direct and predictable effect upon the financial interests of Harvard University or the American Association for the Advancement of Science.

Moreover, you have informed Department officials that Harvard University's School of Engineering and Applied Sciences, is a recipient of several subcontracts from the University of Texas at Austin. The University of Texas's funding for this subcontract comes from a grant awarded by the Advanced Energy Consortium, a collaboration of energy and oil companies, the University of Texas, and Rice University. Notably, Halliburton and British Petroleum are members of this consortium. The subcontracts are set to expire in December 2011. You advised that you have no direct involvement in underlying research; however, several members of your faculty are involved in completing such research. You advise that during your service on the Commission, you will not engage in any matters related to this research, nor will you will engage in any fundraising activities on behalf of Harvard University with any oil company. These actions will mitigate any real or apparent conflicts of interest.

You have further advised Department officials you serve as Chair of the Division of Engineering and Physical Sciences of the National Research Council which functions under the auspices of the National Academies, and that within the last year, you served as the past President of the American Physical Society. Although these positions do not create a conflict of interest within the meaning of 18 U.S.C. §208, it is appropriate to mention these positions because they create a covered relationship pursuant to 5 C.F.R. §2635.502. As a result, you are required to be recused from a particular matter involving specific parties in which the National Academies or American Physical Society is a party or represents a party, unless authorized. It is highly unlikely that such matter will arise; however, in the event it does, I authorize your participation because your service on the Commission outweighs the appearance of a conflict, pursuant to 5 C.F.R. § 2635.502(d).

Balancing the potential for conflict based on the assets represented in your total portfolio and positions, against your unique qualifications, extensive knowledge of the oil and gas industry gained through your experiences in the Federal government, non-profit organizations, and private industry, and your availability to serve on this committee, it is appropriate to issue this waiver. Federal advisory committees, like the Commission, are also unavoidably composed of persons who have been employed by or have other interests in the subject matter related to Commission. The fact that a member may have a financial interest that may be affected is simply unavoidable in view of the work and membership of the Commission. Furthermore, the purpose of a Federal advisory committee is to provide advice and recommendations to the Federal government. Your

position is advisory in nature, and you do not, nor does any other Commissioner, have the authority to issue a final decision binding the Federal government. Federal advisory committees are also subject to FACA which requires that the membership of the Commission be balanced in its viewpoints. This balance dilutes the impact any one member has over the Commission. Lastly, FACA requires that Commission recommendations be deliberated in public. The requirement that this be a transparent process gives the public the opportunity to participate and comment on positions taken by Commissioners and the Commission as a whole.

The President chose you to assist in this unprecedented effort because of the expertise you have gained through your past and current positions which will be an invaluable asset to the Commission as it addresses this national emergency. As such, I find that the need for your services outweighs the potential for a conflict of interest created by your financial interests. This waiver shall apply to particular matters of general applicability and specific party matters affecting the companies, organizations, and other financial interests listed above insofar as it creates a conflict of interest with your official duties on the Commission.

Pursuant to 5 C.F.R. § 2640.303, the Office of Government Ethics has been consulted on this waiver, has no objection to its issuance, and will be provided with a copy of it.

cc: Susan Beard, Designated Agency Ethics Official



The Deputy Secretary of Energy  
Washington, DC 20585

July 1, 2010

MEMORANDUM FOR FRANCES BEINECKE

MEMBER

NATIONAL COMMISSION ON THE BP DEEPWATER  
HORIZON OIL SPILL AND OFFSHORE DRILLING

FROM:

DANIEL B. PONEMAN

SUBJECT:

Conflict of Interest Waiver Pursuant to 18 U.S.C. § 208(b)(3)

This memorandum grants you a waiver pursuant to 18 U.S.C. § 208(b)(3), to allow your participation as a member of the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling ("Commission"), an advisory committee established by Executive Order 13543 on May 22, 2010.

Section 208(a), Title 18, United States Code, prohibits you from participating personally and substantially, as a Government employee, in any particular matter in which, to your knowledge, you or your spouse, minor child, general partner, or any person or organization in which you are serving as officer, director, trustee, general partner, or employee, or any person or organization with whom you are negotiating or have any arrangement concerning prospective employment, has a financial interest. This prohibition applies equally to special Government employees (SGEs).<sup>1</sup> Section 208(b)(3) provides that subsection (a) shall not apply if, in the case of a SGE serving on an advisory committee within the meaning of the Federal Advisory Committee Act (FACA), the official responsible for the SGE's appointment, or his designee, certifies in writing that the need for the employee's service outweighs the potential for a conflict of interest created by the financial interest involved.<sup>2</sup>

The objective of the Commission is to examine the relevant facts and circumstances concerning the root causes of the Deepwater Horizon explosion, fire, and oil spill, and to develop options to guard against and mitigate the impact of any oil spills associated with offshore drilling in the future. In developing such options, the Commission must consider the environmental, public health, and economic effects of such options, including those options that involve: improvements to Federal laws, regulations, and industry practices applicable to offshore drilling that would ensure effective oversight, monitoring, and response capabilities; protecting public health and safety, occupational

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<sup>1</sup> 18 U.S.C. § 202(a).

<sup>2</sup> Pursuant to Executive Order 12674 and a delegation from the Secretary of Energy, I have the authority to issue conflict-of-interest waivers for SGEs serving on advisory committees.



health and safety, and the environment and natural resources; addressing affected communities; and organizational or other reforms of Federal agencies or processes necessary to ensure such improvements are implemented and maintained.

As part of your duties, you will be responsible for providing your expertise to the President in addressing how to prevent – and mitigate the impact of – any future spills that result from offshore drilling. Specifically, the Commission will work to determine the causes of this catastrophe and the safety and environmental protections we need to prevent a similar disaster from happening again. In order to fulfill this mission in such a short timeframe, individuals with a deep understanding of the technology and operation of offshore drilling platforms, environmental standards, health standards, industry practices, and the economic impacts of such disasters on the Nation are needed.

The President is looking to the Commission to assist in the United States' efforts in determining the root causes of this national disaster and prevent a repeat of such catastrophe. Currently, you are the president of the Natural Resources Defense Council (NRDC). Under your leadership, the NRDC has launched a new campaign focused on the NRDC's efforts to curb global warming, move America beyond oil, revive the world's oceans, save endangered wild places, stem the tide of toxic chemicals and accelerate the greening of China. You have worked with NRDC for more than 30 years. Prior to becoming the president in 2006, you served as the organization's executive director for eight years. You also worked as a member of NRDC's water and coastal program, fighting to protect marine ecosystems from offshore oil and gas development and advocating for sound coastal land use. It is this experience and expertise that uniquely qualifies you to serve as a Member of this Commission.

You have disclosed several investment interests that could potentially be affected by the advice of the Commission. Specifically, you have a stock interest in XTO Energy, General Electric, and Erickson Air Crane. You also have an interest in the following private equity funds which are focused on investing in the energy industry: Venture Investment Associates Energy, MissionPoint Capital Partners Fund, MissionPoint GGH Parallel Fund, MissionPoint HA Parallel Fund, and MissionPoint SE Parallel Fund. Your interest in these companies and entities, however, represents only a small portion of your widely-diversified investment portfolio. Unless you first receive a waiver pursuant to 18 U.S.C. § 208(b)(3), you are not permitted to participate in particular matters affecting the financial interests of these companies or entities because these assets do not qualify for an exemption under 5 C.F.R. § 2640.202.

You have also reported an interest in the following private equity funds: Lexington Capital Partners LP, Park International Partners LP, Park US Small Cap LLC, BRAC Associates, Lexington Capital II LLC, Park US Capital LLC, Gulfstream Capital Partners, Gulfstream Real Assets, Gulfstream Capital Partners II, NEA IV LP, Venture Investment Associates LP, Venture Investment Associates II LP, Venture Investment Associates III LP, Venture Investment Associates IV LP, Presidential Associates, Contra V.C., Interim Advantage LLC, Amberbrook IV LLC, Amberbrook V LLC, David Kempner Partners, York Credit Opportunities Fund LP, Valiant Capital Partners LP,

Cerberus Asia Partners LP, Rossrock 2005 Fund LLC, Rossrock Fund II LP, Venture Investment Associates – Ant Exploration, Clearview Partners Fund II, and Fortress Credit Opportunities Fund LP. As stated above, you are precluded from participating in particular matters affecting the financial interests of these funds absent a waiver of 18 U.S.C. § 208. I have been advised that the focus of these funds is not in the energy and/or oil industry. It is possible, however, that some interests within these funds could be affected by the recommendations of the Commission. Given the fact that the overall focus of each fund is not in a sector that is relevant to the focus of the Commission and the fact that there are multiple underlying holdings in each fund, it is appropriate to waive any potential conflict of interest that may arise as you carry out your official duties as a Member of the Commission.

In addition, you serve on the Board of Directors of Antaeus Enterprises, the World Resources Institute, the Meridian Institute, and the Alliance to Save Energy, and you serve on the Board of Trustees of the American Conservation Association. Pursuant to 18 U.S.C. 208, you cannot participate in particular matters that has a direct and predictable effect upon the financial interests of organizations in which you serve as a Board Member or employee, unless you first obtain a written waiver or qualify for a regulatory exemption. This waiver shall apply to any particular matters that have a direct and predictable effect upon the financial interests of NRDC, Antaeus Enterprises, the World Resources Institute, the Meridian Institute, the Alliance to Save Energy, and the American Conservation Association.

Moreover, you have informed Department officials of the steps that you are taking as President of the NRDC to mitigate actual or apparent conflicts of interest. First, you advised that you will not be involved in any litigation efforts during your service on the Commission. This entails you stepping down from the NRDC Board/Staff Litigation Committee and being removed from the Committee listserv. The Litigation Committee is the body that considers NRDC's involvement in potential lawsuits and must approve proposed litigation efforts before going forward. Second, you will step down from your position as Director of NRDC's 501(c)(4) affiliate organization, the NRDC Action Fund, during your service on the Commission. Third, NRDC will construct an information wall in order to avoid any improper sharing of proprietary information that may present a conflict of interest with your work on the Commission. These actions will mitigate potential conflicts of interest.

You have further advised Department officials that you serve on advisory boards or committees of the following organizations: Conservation International's Center for Environmental Leadership in Business, the US Climate Action Partnership, Aspen Institute's Arctic Commission, MIT Energy Initiative, Yale University's Schools of Forestry and Management, and Duke University's Nicholas Institute. You are also an honorary member of the New York League of Conservation Voters Board of Directors. Although these positions do not create a conflict of interest within the meaning of 18 U.S.C. §208, it is appropriate to mention these positions because they create a covered relationship pursuant to 5 C.F.R. §2635.502. As a result, you are required to be recused from a particular matter involving specific parties in which the Conservation

International's Center for Environmental Leadership in Business, the US Climate Action Partnership, Aspen Institute, MIT Energy Initiative, Yale University, Duke University, and the New York League of Conservation Voters is a party or represents a party, unless authorized. It is highly unlikely that such matter will arise; however, in the event it does, I authorize your participation because your service on the Commission outweighs the appearance of a conflict, pursuant to 5 C.F.R. § 2635.502(d).

Balancing the potential for conflict based on the assets represented in your total portfolio and positions, against your unique qualifications, extensive knowledge of the oil and gas industry gained through your experiences in the Federal government, non-profit organizations, and private industry, and your availability to serve on this committee, it is appropriate to issue this waiver. Significant to this analysis is the fact that the companies and organizations in which you have a financial interest have different interests with respect to the various issues surrounding the work of the Commission. All of these companies and organizations may not have simultaneous interests in each stage of the Commission's study; rather, their interests may be limited to various specific inquiries, meaning that the conflict is likely to be more limited than all of assets listed above.

Federal advisory committees, like the Commission, are also unavoidably composed of persons who have been employed by or have other interests in the subject matter related to Commission. The fact that a member may have a financial interest that may be affected is simply unavoidable in view of the work and membership of the Commission.

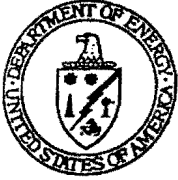
Furthermore, the purpose of a Federal advisory committee is to provide advice and recommendations to the Federal government. Your position is advisory in nature, and you do not, nor does any other Commissioner, have the authority to issue a final decision binding the Federal government. Federal advisory committees are also subject to FACA which requires that the membership of the Commission be balanced in its viewpoints. This balance dilutes the impact any one member has over the Commission. Lastly, FACA requires that Commission recommendations be deliberated in public. The requirement that this be a transparent process gives the public the opportunity to participate and comment on positions taken by Commissioners and the Commission as a whole.

The President chose you to lead this unprecedented effort because of the expertise you have gained through your past and current positions, which will be an invaluable asset to the Commission as it addresses this national emergency. As such, I find that the need for your services outweighs the potential for a conflict of interest created by your financial interests. This waiver shall apply to particular matters of general applicability and specific party matters affecting the companies, organizations, and other financial interests listed above insofar as it creates a conflict of interest with your official duties on the Commission.

Pursuant to 5 C.F.R. § 2640.303, the Office of Government Ethics has been consulted on this waiver, has no objection to its issuance, and will be provided with a copy.

cc: Susan Beard, Designated Agency Ethics Official





The Deputy Secretary of Energy  
Washington, DC 20585

June 22, 2010

MEMORANDUM FOR DONALD F. BOESCH

MEMBER

NATIONAL COMMISSION ON THE BP DEEPWATER  
HORIZON OIL SPILL AND OFFSHORE DRILLING

FROM:

DANIEL B. PONEMAN

SUBJECT:

Conflict of Interest Waiver Pursuant to 18 U.S.C. § 208(b)(3)

This memorandum grants you a waiver pursuant to 18 U.S.C. § 208(b)(3), to allow your participation as a member of the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling ("Commission"), an advisory committee established by Executive Order 13543 on May 22, 2010.

Section 208(a), Title 18, United States Code, prohibits you from participating personally and substantially, as a Government employee, in any particular matter in which, to your knowledge, you or your spouse, minor child, general partner, or any person or organization in which you are serving as officer, director, trustee, general partner, or employee, or any person or organization with whom you are negotiating or have any arrangement concerning prospective employment, has a financial interest. This prohibition applies equally to special Government employees (SGEs).<sup>1</sup> Section 208(b)(3) provides that subsection (a) shall not apply if, in the case of a SGE serving on an advisory committee within the meaning of the Federal Advisory Committee Act (FACA), the official responsible for the SGE's appointment, or his designee, certifies in writing that the need for the employee's service outweighs the potential for a conflict of interest created by the financial interest involved.<sup>2</sup>

The objective of the Commission is to examine the relevant facts and circumstances concerning the root causes of the Deepwater Horizon explosion, fire, and oil spill, and to develop options to guard against and mitigate the impact of any oil spills associated with offshore drilling in the future. In developing such options, the Commission must consider the environmental, public health, and economic effects of such options, including those options that involve: improvements to Federal laws, regulations, and industry practices applicable to offshore drilling that would ensure effective oversight, monitoring, and response capabilities; protecting public health and safety, occupational

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<sup>1</sup> 18 U.S.C. § 202(a).

<sup>2</sup> Pursuant to Executive Order 12674 and a delegation from the Secretary of Energy, I have the authority to issue conflict-of-interest waivers for SGEs serving on advisory committees.



health and safety, and the environment and natural resources; addressing affected communities; and organizational or other reforms of Federal agencies or processes necessary to ensure such improvements are implemented and maintained.

As part of your duties, you will be responsible for providing your expertise to the President in addressing how to prevent – and mitigate the impact of – any future spills that result from offshore drilling. Specifically, the Commission will work to determine the causes of this catastrophe and the safety and environmental protections we need to prevent a similar disaster from happening again. In order to fulfill this mission in such a short timeframe, individuals with a deep understanding of the technology and operation of offshore drilling platforms, environmental standards, health standards, industry practices, and the economic impacts of such disasters on the Nation are needed.

The President is looking to the Commission to assist in the United States' efforts in determining the root causes of this national disaster and prevent a repeat of such catastrophe. Currently, you are a Professor of Marine Science and President of the University of Maryland Center for Environmental Science (UMCES). The Center is part of the University System of Maryland that conducts comprehensive research, trains graduate students, contributes to public education, and advises public agencies and others on environmental and natural resource management. As a biological oceanographer, you have conducted research in coastal and continental shelf environments along the Atlantic Coast and in the Gulf of Mexico, eastern Australia and the East China Sea. You have published two books and more than 90 papers on marine benthos, estuaries, wetlands, continental shelves, oil pollution, nutrient over-enrichment, environmental assessment and monitoring and science policy. Presently, your research is focused on the use of science in ecosystem management. It is this experience and expertise that uniquely qualifies you to serve as a member of this Commission.

You have disclosed several investment interests that could potentially be affected by the advice of the Commission. Specifically, you have an interest in the Fidelity Select Energy Services Fund which is de minimis. You also have a stock interest in General Electric, Cisco Systems, Dell Computer, EMC Corporation, Intel Corporation, AOL, Hewlett Packard, IBM, Qualcomm, Tyco, and Verigy which represent only a portion of your overall diverse investment portfolio. These stocks are being included in the unlikely event that a matter comes before the Commission that could have a direct and predictable effect upon the financial interests of these companies. Pursuant to 18 U.S.C. § 208, you are not permitted to participate in particular matters affecting the financial interests of these entities, unless a waiver is issued in accordance with 18 U.S.C. § 208(b)(3), or you qualify for a regulatory exemption in 5 C.F.R. § 2640.202.

In addition to your employment with UMCES, you serve on the Board of Directors of the Chesapeake Bay Foundation and the Town Creek Foundation. You also serve on the Board of Trustees of the Chesapeake Research Consortium and the Consortium for Ocean Leadership. Pursuant to 18 U.S.C. 208, you cannot participate in particular matters that

have a direct and predictable effect upon the financial interests of organizations in which you serve as a Board Member or employee, unless you first obtain a written waiver or qualify for a regulatory exemption. Therefore, this waiver shall apply to any particular matters that have a direct and predictable effect upon the financial interests of UMCES, Chesapeake Research Consortium, and the Consortium for Ocean Leadership.

Moreover, you have informed Department officials that you voluntarily sold your stock interest in Transocean Limited in order to remedy an actual conflict of interest. I also understand that you have taken a leave of absence from your position on the Board of Trustees of the Consortium for Ocean Leadership. The Consortium for Ocean Leadership is currently conducting research and exploration in the Gulf of Mexico under contract with Transocean. You advised, however, that you had no involvement in this contract. Although you maintain a financial interest in the Consortium for Ocean Leadership while on the leave of absence pursuant to 18 U.S.C. § 208, removing yourself from the company's activities during your service as a Member is an additional mitigation of the conflict of interest. Lastly, you advised that you fundraise on behalf UMCES; however, you have never approached British Petroleum for any funding. During your service on the Commission, you have agreed to not participate in any UMCES fundraising activities in which you seek contributions from any oil company. Again, this action will mitigate any real or apparent conflict of interests.

Balancing the potential for conflict based on the assets represented in your total portfolio and positions, against your unique qualifications, extensive knowledge of the oil and gas industry gained through your experiences in the Federal government, non-profit organizations, and private industry, and your availability to serve on this committee, it is appropriate to issue this waiver. Federal advisory committees, like the Commission, are also unavoidably composed of persons who have been employed by or have other interests in the subject matter related to Commission. The fact that a member may have a financial interest that may be affected is simply unavoidable in view of the work and membership of the Commission. Furthermore, the purpose of a Federal advisory committee is to provide advice and recommendations to the Federal government. Your position is advisory in nature, and you do not, nor does any other Commissioner, have the authority to issue a final decision binding the Federal government. Federal advisory committees are also subject to FACA which requires that the membership of the Commission be balanced in its viewpoints. This balance dilutes the impact any one member has over the Commission. Lastly, FACA requires that Commission recommendations be deliberated in public. The requirement that this be a transparent process gives the public the opportunity to participate and comment on positions taken by Commissioners and the Commission as a whole.

The President chose you to assist in this unprecedented effort because of the expertise you have gained through your past and current positions, which will be an invaluable asset to the Commission as it addresses this national emergency. As such, I find that the need for your services outweighs the potential for a conflict of interest created by your

financial interests. This waiver shall apply to particular matters of general applicability and specific party matters affecting the companies, organizations, and other financial interests listed above insofar as it creates a conflict of interest with your official duties on the Commission.

Pursuant to 5 C.F.R. § 2640.303, the Office of Government Ethics has been consulted on this waiver, has no objection to its issuance, and will be provided with a copy.

cc: Susan Beard, Designated Agency Ethics Official



The Deputy Secretary of Energy  
Washington, DC 20585

June 22, 2010

MEMORANDUM FOR TERRY GARCIA

MEMBER

NATIONAL COMMISSION ON THE BP DEEPWATER  
HORIZON OIL SPILL AND OFFSHORE DRILLING

FROM:

DANIEL B. PONEMAN

SUBJECT:

Conflict of Interest Waiver Pursuant to 18 U.S.C. § 208(b)(3)

This memorandum grants you a waiver pursuant to 18 U.S.C. § 208(b)(3), to allow your participation as a member of the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling ("Commission"), an advisory committee established by Executive Order 13543 on May 22, 2010.

Section 208(a), Title 18, United States Code, prohibits you from participating personally and substantially, as a Government employee, in any particular matter in which, to your knowledge, you or your spouse, minor child, general partner, or any person or organization in which you are serving as officer, director, trustee, general partner, or employee, or any person or organization with whom you are negotiating or have any arrangement concerning prospective employment, has a financial interest. This prohibition applies equally to special Government employees (SGEs).<sup>1</sup> Section 208(b)(3) provides that subsection (a) shall not apply if, in the case of a SGE serving on an advisory committee within the meaning of the Federal Advisory Committee Act (FACA), the official responsible for the SGE's appointment, or his designee, certifies in writing that the need for the employee's service outweighs the potential for a conflict of interest created by the financial interest involved.<sup>2</sup>

The objective of the Commission is to examine the relevant facts and circumstances concerning the root causes of the Deepwater Horizon explosion, fire, and oil spill, and to develop options to guard against and mitigate the impact of any oil spills associated with offshore drilling in the future. In developing such options, the Commission must consider the environmental, public health, and economic effects of such options, including those options that involve: improvements to Federal laws, regulations, and industry practices applicable to offshore drilling that would ensure effective oversight, monitoring, and response capabilities; protecting public health and safety, occupational

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<sup>1</sup> 18 U.S.C. § 202(a).

<sup>2</sup> Pursuant to Executive Order 12674 and a delegation from the Secretary of Energy, I have the authority to issue conflict-of-interest waivers for SGEs serving on advisory committees.



health and safety, and the environment and natural resources; addressing affected communities; and organizational or other reforms of Federal agencies or processes necessary to ensure such improvements are implemented and maintained.

As part of your duties, you will be responsible for providing your expertise to the President in addressing how to prevent – and mitigate the impact of – any future spills that result from offshore drilling. Specifically, the Commission will work to determine the causes of this catastrophe and the safety and environmental protections we need to prevent a similar disaster from happening again. In order to fulfill this mission in such a short timeframe, individuals with a deep understanding of the technology and operation of offshore drilling platforms, environmental standards, health standards, industry practices, and the economic impacts of such disasters on the Nation are needed.

The President is looking to the Commission to assist in the United States' efforts in determining the root causes of this national disaster and prevent a repeat of such catastrophe. Since 1999, you have served as the Executive Vice President of the National Geographic Society. Prior to joining the Society, you were the Assistant Secretary of Commerce for Oceans and Atmosphere at the U.S. Department of Commerce, and Deputy Administrator of the National Oceanic and Atmospheric Administration (NOAA). In this role, you directed and coordinated U.S. coastal, ocean, and atmospheric programs, including the National Ocean Service, the National Marine Fisheries Service, the Office of Oceanic and Atmospheric Research, the National Weather Service, and the National Environmental Satellite, Data and Information Service. Between 1994 and 1996, you served as the General Counsel for NOAA. As the General Counsel, you led the implementation of the Exxon Valdez Oil Spill Restoration Plan for the Prince William Sound and the Gulf of Alaska. As a result of your involvement in the Exxon Valdez disaster, you will have first-hand knowledge and an invaluable personal perspective of the issues surrounding a disaster of this magnitude. It is these experiences that uniquely qualify you to serve as a member of this Commission.

You have disclosed several investment interests that could potentially be affected by the advice of the Commission. Specifically, you have a stock interest in Exxon Mobil, Macquarie Infrastructure, Waste Management, and Cisco Systems. In accordance with 5 C.F.R. § 2640.202, your interest in each asset and the aggregate value of these assets is considered de minimis. However, this waiver is being issued as a cautionary matter to allow you to participate in any particular matter that has a direct and predictable affect upon the financial interests of these companies.

In addition to your employment with the National Geographic Society, you serve on the Board of Directors of the Institute for Exploration at the Mystic Aquarium, and the Amazon Center for Education and Research at West Chester University. Pursuant to 18 U.S.C. 208, you cannot participate in particular matters that have a direct and predictable effect upon the financial interests of organizations in which you serve as a Board Member or employee, unless you first obtain a written waiver or qualify for a regulatory

exemption. Therefore, this waiver shall apply to any particular matters that have a direct and predictable effect upon the financial interests of the National Geographic Society, Institute for Exploration at the Mystic Aquarium, and the Amazon Center for Education and Research at West Chester University.

You have further advised Department officials that you serve on the Board of Advisors and as a Committee Member of the Harte Research Institute of Gulf of Mexico Studies at Texas A&M University, and the U.S. National Committee for the Census of Marine Life respectively. Although these positions do not create a conflict of interest within the meaning of 18 U.S.C. §208, it is appropriate to mention these positions because they create a covered relationship pursuant to 5 C.F.R. §2635.502. As a result, you are required to be recused from a particular matter involving specific parties in which the Harte Research Institute of Gulf of Mexico Studies at Texas A&M University or the U.S. National Committee for the Census of Marine Life is a party or represents a party. It is highly unlikely that such matter will arise; however, in the event it does, your service on the Commission outweighs the appearance of a conflict, pursuant to 5 C.F.R. § 2635.502(d).

Moreover, you have informed Department officials that you have engaged in fundraising activities for your employer or any other organization on which you serve as a Board member or advisor. As Executive Vice President of the National Geographic Society, you have been involved in securing sponsors or advertising funds because of your senior position. In the past, oil companies have paid the National Geographic Society to advertise in the magazine. During your service on the Commission, you have agreed to disqualify yourself from matters involving any sponsors or advertising related to the oil and gas industry. These actions will mitigate any real or apparent conflicts of interest.

Balancing the potential for conflict based on the assets represented in your total portfolio and positions, against your unique qualifications, extensive knowledge of the oil and gas industry gained through your experiences in the Federal government, non-profit organizations, and private industry, and your availability to serve on this committee, it is appropriate to issue this waiver. Federal advisory committees, like the Commission, are also unavoidably composed of persons who have been employed by or have other interests in the subject matter related to the Commission. The fact that a member may have a financial interest that may be affected is simply unavoidable in view of the work and membership of the Commission. Furthermore, the purpose of a Federal advisory committee is to provide advice and recommendations to the Federal government. Your position is advisory in nature, and you do not, nor does any other Commissioner, have the authority to issue a final decision binding the Federal government. Federal advisory committees are also subject to FACA which requires that the membership of the Commission be balanced in its viewpoints. This balance dilutes the impact any one member has over the Commission. Lastly, FACA requires that Commission recommendations be deliberated in public. The requirement that this be a transparent process gives the public the opportunity to participate and comment on positions taken by Commissioners and the Commission as a whole.

The President chose you to assist in this unprecedented effort because of the expertise you have gained through your past and current positions, which will be an invaluable asset to the Commission as it addresses this national emergency. As such, I find that the need for your services outweighs the potential for a conflict of interest created by your financial interests. This waiver shall apply to particular matters of general applicability and specific party matters affecting the companies, organizations, and other financial interests listed above insofar as it creates a conflict of interest with your official duties on the Commission.

Pursuant to 5 C.F.R. § 2640.303, the Office of Government Ethics has been consulted on this waiver, has no objection to its issuance, and will be provided with a copy.

cc: Susan Beard, Designated Agency Ethics Official





The Deputy Secretary of Energy  
Washington, DC 20585

June 22, 2010

MEMORANDUM FOR WILLIAM REILLY

CO-CHAIR

NATIONAL COMMISSION ON THE BP DEEPWATER  
HORIZON OIL SPILL AND OFFSHORE DRILLING

FROM:

DANIEL B. PONEMAN

SUBJECT:

Conflict of Interest Waiver Pursuant to 18 U.S.C. § 208(b)(3)

This memorandum grants you a waiver pursuant to 18 U.S.C. § 208(b)(3), to allow your participation as a member of the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling ("Commission"), an advisory committee established by Executive Order 13543 on May 22, 2010.

Section 208(a), Title 18, United States Code, prohibits you from participating personally and substantially, as a Government employee, in any particular matter in which, to your knowledge, you or your spouse, minor child, general partner, or any person or organization in which you are serving as officer, director, trustee, general partner, or employee, or any person or organization with whom you are negotiating or have any arrangement concerning prospective employment, has a financial interest. This prohibition applies equally to special Government employees (SGEs).<sup>1</sup> Section 208(b)(3) provides that subsection (a) shall not apply if, in the case of a SGE serving on an advisory committee within the meaning of the Federal Advisory Committee Act (FACA), the official responsible for the SGE's appointment, or his designee, certifies in writing that the need for the employee's service outweighs the potential for a conflict of interest created by the financial interest involved.<sup>2</sup>

The objective of the Commission is to examine the relevant facts and circumstances concerning the root causes of the Deepwater Horizon explosion, fire, and oil spill, and to develop options to guard against and mitigate the impact of any oil spills associated with offshore drilling in the future. In developing such options, the Commission must consider the environmental, public health, and economic effects of such options, including those options that involve: improvements to Federal laws, regulations, and industry practices applicable to offshore drilling that would ensure effective oversight,

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<sup>1</sup> 18 U.S.C. § 202(a).

<sup>2</sup> Pursuant to Executive Order 12674 and a delegation from the Secretary of Energy, I have the authority to issue conflict-of-interest waivers for SGEs serving on advisory committees.



monitoring, and response capabilities; protecting public health and safety, occupational health and safety, and the environment and natural resources; addressing affected communities; and organizational or other reforms of Federal agencies or processes necessary to ensure such improvements are implemented and maintained.

As part of your duties, you will be responsible for providing your expertise to the President in addressing how to prevent – and mitigate the impact of – any future spills that result from offshore drilling. Specifically, the Commission will work to determine the causes of this catastrophe and the safety and environmental protections we need to prevent a similar disaster from happening again. In order to fulfill this mission in such a short timeframe, individuals with a deep understanding of the technology and operation of offshore drilling platforms, environmental standards, health standards, industry practices, and the economic impacts of such disasters on the Nation are needed.

The President is looking to the Commission to assist in the United States' efforts in determining the root causes of this national disaster and prevent a repeat of such catastrophe. Currently, you are a senior advisor to TPG Partners – a private equity firm, the Chairman Emeritus of the Board of the World Wildlife Fund, and serve on the Board of Directors of DuPont, Conoco Phillips, and Royal Caribbean International, and on the Board of Trustees of the National Geographic Society. In addition, your past experiences as the Administrator of the Environmental Protection Agency during the Exxon Valdez disaster and as president of the World Wildlife Fund and The Conservation Foundation will lend first-hand knowledge and invaluable personal perspective to the Commission. As the former Administrator of the Environmental Protection Agency, an agency significantly involved in the clean up during the Exxon Valdez disaster, you understand the various issues surrounding a disaster of this magnitude. It is these experiences that uniquely qualify you to serve as the Co-Chair of this Commission.

You have disclosed numerous investment interests that could potentially be affected by the advice of the Commission. Specifically, you have a stock interest in Occidental Petroleum, DuPont, Royal Caribbean, Conoco Phillips, National Oilwell Varco, Schlumberger, Exxon Mobil Corporation, Spectra Energy Corporation, Total SA, AES Corporation, Arkema ADR, and Duke Energy Corporation. You are not permitted to participate in particular matters affecting the financial interests of these organizations because some of the stocks and your combined interest in all stocks listed exceed the de minimis exemption amounts set forth in 5 C.F.R. § 2640.202, unless you first receive a waiver pursuant to 18 U.S.C. § 208(b)(3).

You have also reported an interest in the following private equity funds: Aqua Advisors II LLC, Aqua Advisors Inc., Aqua GP LP, TPG Aqua LP, TPG GenPar V LP, Aqua Equity Partners LP, Aqua Equity Partners LP, Aqua GP Partners LLC, TPG Associates III LP, TPG Equity Partners II LP, TPG Equity V-B LP, TPG Management V LP, TPG Ventures FOF LP, TPG Gryphon III – Annex LP, TPG Gryphon III LP, TPG Gryphon Partners LP,

TPG Star GenPar LP, Newbridge Asia Equity III LP, TAC 2007 Equity LP, TPG Asia Equity V LP, TPG Distressed HF Equity Ptrs LP, TPG HF Equity Partners LP, and TPG Avalon Partners LP. As stated above, you are precluded from participating in particular matters affecting the financial interests of these funds absent a waiver of 18 U.S.C. § 208. I have been advised that the focus of these funds is not in the energy and/or oil industry. It is possible, however, that some interests within these funds could be affected by the recommendations of the Commission. Given the overall focus of each fund is not in a sector that is relevant to the focus of the Commission and the fact that there are multiple underlying holdings in each fund, it is appropriate to waive any potential conflict of interest that may arise as you carry out your official duties as Co-Chair of the Commission.

In addition, you serve on the Board of Directors of Conoco Phillips, DuPont, and Royal Caribbean, and you serve on the Board of Trustees of the National Geographic Society. You advised Department officials that you receive board fees, stock, and deferred compensation from Conoco Phillips and DuPont, and board fees, stock, and an honorarium from Royal Caribbean. You also are a senior advisor to TPG Partners. TPG Partners manages private equity funds that may have interests affected by the Commission's recommendations. As an employee, the financial interests of your employer are imputed to you. Pursuant to 18 U.S.C. 208, you cannot participate in particular matters that have a direct and predictable effect upon the financial interests of organizations in which you serve as a Board Member or employee, unless you first receive a waiver. You have further advised that your position as chairman emeritus of the World Wildlife Fund is honorific and not a true Board Member position within the meaning of 18 U.S.C. §208. However, it is appropriate to mention this position because it creates a covered relationship pursuant to 5 C.F.R. §2635.502, requiring that you be recused from an particular matter involving specific parties in which the World Wildlife Fund is a party or represents a party. It is highly unlikely that such matter will arise. In the event such matter does arise, your service on the Commission outweighs the appearance of a conflict, pursuant to 5 C.F.R. § 2635.502(d).

Moreover, you have informed Department officials that you voluntarily sold your stock interest in BP and Anadarko Petroleum Corporation in order to remedy an actual conflict of interest. I also understand that you have taken a leave of absence from your position on the Board of Directors of Conoco Philips. Although you maintain a financial interest in Conoco Phillips while on the leave of absence, pursuant to 18 U.S.C. § 208, removing yourself from the company's activities as you serve as Co-Chair is an additional mitigation of the conflict of interest.

Balancing the potential for conflict based on the assets represented in your total portfolio and positions, against your unique qualifications, extensive knowledge of the oil and gas industry gained through your experiences in the Federal government, non-profit organizations, and private industry, and your availability to serve on this committee, it is

appropriate to issue this waiver. Significant to this analysis is that fact that the companies and organizations in which you have a financial interest have different interests with respect to the various issues surrounding the work of the Commission. All of these companies and organizations may not have simultaneous interests in each stage of the Commission's study; rather, their interests may be limited to various specific inquiries, meaning that the conflict is likely to be more limited than all of assets listed above

Federal advisory committees, like the Commission, are also unavoidably composed of persons who have been employed by or have other interests in the subject matter related to Commission. The fact that a member may have a financial interest that may be affected is simply unavoidable in view of the work and membership of the Commission. Furthermore, the purpose of a Federal advisory committee is to provide advice and recommendations to the Federal government. Your position is advisory in nature, and you do not, nor does any other Commissioner, have the authority to issue a final decision binding the Federal government. Federal advisory committees are also subject to FACA which requires that the membership of the Commission be balanced in its viewpoints. This balance dilutes the impact any one member has over the Commission. Lastly, FACA requires that Commission recommendations be deliberated in public. The requirement that this be a transparent process gives the public the opportunity to participate and comment on positions taken by Commissioners and the Commission as a whole.

The President chose you to lead this unprecedented effort because of the expertise you have gained through your past and current positions, which will be an invaluable asset to the Commission as it addresses this national emergency. As such, I find that the need for your services outweighs the potential for a conflict of interest created by your financial interests. This waiver shall apply to particular matters of general applicability and specific party matters affecting the companies, organizations, and other financial interests listed above insofar as it creates a conflict of interest with your official duties on the Commission.

Pursuant to 5 C.F.R. § 2640.303, the Office of Government Ethics has been consulted on this waiver, has no objection to its issuance, and will be provided with a copy.

cc: Susan Beard, Designated Agency Ethics Official



The Deputy Secretary of Energy  
Washington, DC 20585

June 22, 2010

MEMORANDUM FOR FRANCES ANN ULMER

MEMBER

NATIONAL COMMISSION ON THE BP DEEPWATER  
HORIZON OIL SPILL AND OFFSHORE DRILLING

FROM:

DANIEL B. PONEMAN

SUBJECT:

Conflict of Interest Waiver Pursuant to 18 U.S.C. § 208(b)(3)

This memorandum grants you a waiver pursuant to 18 U.S.C. § 208(b)(3), to allow your participation as a member of the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling ("Commission"), an advisory committee established by Executive Order 13543 on May 22, 2010.

Section 208(a), Title 18, United States Code, prohibits you from participating personally and substantially, as a Government employee, in any particular matter in which, to your knowledge, you or your spouse, minor child, general partner, or any person or organization in which you are serving as officer, director, trustee, general partner, or employee, or any person or organization with whom you are negotiating or have any arrangement concerning prospective employment, has a financial interest. This prohibition applies equally to special Government employees (SGEs).<sup>1</sup> Section 208(b)(3) provides that subsection (a) shall not apply if, in the case of a SGE serving on an advisory committee within the meaning of the Federal Advisory Committee Act (FACA), the official responsible for the SGE's appointment, or his designee, certifies in writing that the need for the employee's service outweighs the potential for a conflict of interest created by the financial interest involved.<sup>2</sup>

The objective of the Commission is to examine the relevant facts and circumstances concerning the root causes of the Deepwater Horizon explosion, fire, and oil spill, and to develop options to guard against and mitigate the impact of any oil spills associated with offshore drilling in the future. In developing such options, the Commission must consider the environmental, public health, and economic effects of such options, including those options that involve: improvements to Federal laws, regulations, and industry practices applicable to offshore drilling that would ensure effective oversight, monitoring, and response capabilities; protecting public health and safety, occupational

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<sup>1</sup> 18 U.S.C. § 202(a).

<sup>2</sup> Pursuant to Executive Order 12674 and a delegation from the Secretary of Energy, I have the authority to issue conflict-of-interest waivers for SGEs serving on advisory committees.



health and safety, and the environment and natural resources; addressing affected communities; and organizational or other reforms of Federal agencies or processes necessary to ensure such improvements are implemented and maintained.

As part of your duties, you will be responsible for providing your expertise to the President in addressing how to prevent – and mitigate the impact of – any future spills that result from offshore drilling. Specifically, the Commission will work to determine the causes of this catastrophe and the safety and environmental protections we need to prevent a similar disaster from happening again. In order to fulfill this mission in such a short timeframe, individuals with a deep understanding of the technology and operation of offshore drilling platforms, environmental standards, health standards, industry practices, and the economic impacts of such disasters on the Nation are needed.

The President is looking to the Commission to assist in the United States' efforts in determining the root causes of this national disaster and prevent a repeat of such catastrophe. Currently, you serve as Chancellor of the University of Alaska Anchorage, Alaska's largest public university. In addition to serving as UAA's Chancellor, you recently were a member of the Aspen Institute's Commission on Arctic Climate Change and held Board positions with the Alaska Nature Conservancy, the National Parks Conservation Association, the Cook Inlet Foundation, Commonwealth North, and the Union of Concerned Scientists. Prior to your appointment as Chancellor in 2007, you were a Distinguished Visiting Professor of Public Policy and Director of the Institute of Social and Economic Research at UAA. During your more than 30 years in public service, you helped to shape both public and environmental policy. As a state legislator, you served on the Special Committee on the Exxon Valdez Oil Spill Claims Settlement. As a result of your involvement in the Exxon Valdez disaster, you will have first-hand knowledge and an invaluable personal perspective of the issues surrounding a disaster of this magnitude. Further, you chaired the Alaska Coastal Policy Council and served for more than 10 years on the North Pacific Anadromous Fish Commission. You also served as an elected official for 18 years as the Mayor of Juneau, as a state representative and as Lieutenant Governor of Alaska. As Director of Policy Development for the State of Alaska, you managed diverse programs, including coastal management, intergovernmental coordination, and public participation initiatives. It is these experiences that uniquely qualify you to serve as a member of this Commission.

Pursuant to 18 U.S.C. 208, you cannot participate in particular matters that have a direct and predictable effect upon the financial interests of organizations in which you serve as an employee, unless you first obtain a written waiver or qualify for a regulatory exemption. There is a special exception in 5 C.F.R. § 2640.203(g), allowing an SGE serving on a Federal advisory committee to participate in any particular matter of general applicability where the disqualifying financial interest arises from her non-Federal employment, provided that the matter will not have a special or distinct effect on the employee or employer other than as a part of a class. This regulatory exemption does not apply if an SGE's non-Federal interest also includes ownership of stock in her employer.

This exemption applies to matters of general applicability in which the University of Alaska is part of a class. This waiver, however, shall apply to any particular matters in which the University is involved as a specific party.

You have further advised Department officials that upon announcement of the President's intent to appoint you to the Commission, you resigned from your Board positions on the Alaska Nature Conservancy, the National Parks Conservation Association, the Cook Inlet Foundation, Commonwealth North, and the Union of Concerned Scientists. You also serve as a member of the Aspen Institute's Commission on Arctic Climate Change. Although these positions do not create a conflict of interest within the meaning of 18 U.S.C. §208, it is appropriate to mention these positions because they create a covered relationship for a period of one year from the date of resignation, pursuant to 5 C.F.R. §2635.502. As a result, you are required to disqualify yourself from a particular matter involving specific parties in which the Alaska Nature Conservancy, the National Parks Conservation Association, the Cook Inlet Foundation, Commonwealth North, the Union of Concerned Scientists, or the Aspen Institute's Commission on Arctic Climate Change is a party or represents a party, unless authorized. It is highly unlikely that such matter will arise; however, in the event it does, I authorize your participation because your service on the Commission outweighs the appearance of a conflict, pursuant to 5 C.F.R. § 2635.502(d).

Moreover, you informed Department officials that the University of Alaska, receives funding from oil companies, including British Petroleum (BP). Your salary, however, is determined by the State of Alaska and is not dependent upon donations. You advised that you have engaged in fundraising activities on behalf of the University of Alaska Anchorage; however, you have not requested any contributions from BP within the last year. During your service on the Commission, you agreed to not participate in any fundraising activities with any oil company. These actions will mitigate any real or apparent conflicts of interest.

Balancing the potential for conflict based on the assets represented in your total portfolio and positions, against your unique qualifications, extensive knowledge of the oil and gas industry gained through your experiences in the Federal government, non-profit organizations, and private industry, and your availability to serve on this committee, it is appropriate to issue this waiver. Federal advisory committees, like the Commission, are also unavoidably composed of persons who have been employed by or have other interests in the subject matter related to the Commission. The fact that a member may have a financial interest that may be affected is simply unavoidable in view of the work and membership of the Commission. Furthermore, the purpose of a Federal advisory committee is to provide advice and recommendations to the Federal government. Your position is advisory in nature, and you do not, nor does any other Commissioner, have the authority to issue a final decision binding the Federal government. Federal advisory committees are also subject to FACA which requires that the membership of the Commission be balanced in its viewpoints. This balance dilutes the impact any one

member has over the Commission. Lastly, FACA requires that Commission recommendations be deliberated in public. The requirement that this be a transparent process gives the public the opportunity to participate and comment on positions taken by Commissioners and the Commission as a whole.

The President chose you to assist in this unprecedented effort because of the expertise you have gained through your past and current positions, which will be an invaluable asset to the Commission as it addresses this national emergency. As such, I find that the need for your services outweighs the potential for a conflict of interest created by your financial interests. This waiver shall apply to particular matters of general applicability and specific party matters affecting the companies, organizations, and other financial interests listed above insofar as it creates a conflict of interest with your official duties on the Commission.

Pursuant to 5 C.F.R. § 2640.303, the Office of Government Ethics has been consulted on this waiver, has no objection to its issuance, and will be provided with a copy.

cc: Susan Beard, Designated Agency Ethics Official





## The Deputy Secretary of Energy

Washington, DC 20585

June 1, 2010

MEMORANDUM FOR DALE KNUTSON

FEDERAL PROJECT DIRECTOR  
WASTE TREATMENT AND IMMOBILIZATION  
PLANT

FROM: DANIEL B. PONEMAN

A handwritten signature in black ink, appearing to read "Daniel B. Poneman", is written over the printed name.

SUBJECT: Waiver Pursuant to 18 U.S.C. § 208(b)

Section 208, Title 18 of the United States Code prohibits an employee from participating personally and substantially, as a Government employee, in any particular matter in which, to the employee's knowledge, a financial interest is held by the employee, a spouse, minor child, general partner, any organization in which the employee is serving as an officer, director, trustee, general partner, or employee, or any person or organization with whom the employee is negotiating or has any arrangement concerning prospective employment. This participation prohibition not only covers such items as contracts, grants, loan guarantees, cooperative agreements, and claims, but it also includes legislation and policy-making that is focused upon the interests of specific persons, or a discrete and identifiable class of persons.

The statute does not bar an employee from having any particular financial interest, but it does require an employee to refrain from participating in matters which would affect such interests. In a case where a conflicting financial interest exists, an employee may act in his official capacity only "if the officer or employee first advises the Government official responsible for appointment to his or her position of the nature and circumstances of the particular matter and makes full disclosure of the financial interest and receives, in advance, a written determination made by such official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such officer or employee." 18 U.S.C. § 208(b)(1).

You have requested a waiver pursuant to that section to allow you to participate in particular matters affecting your financial interest, as an employee of Battelle Memorial Institute (BMI), the management and operating (M&O) contractor of the Pacific Northwest National Laboratory (PNNL).<sup>1</sup> You are on a 2-year detail under the Intergovernmental Personnel Act to the position of Federal Project Director of the Waste Treatment and Immobilization Plant (WTP). This IPA detail may be extended. This

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<sup>1</sup> You also have a defined benefit pension plan through Battelle Memorial Institute. Therefore, you may not participate in a particular matter that will affect the ability and willingness of Battelle Memorial Institute to honor this contractual obligation.

waiver is issued based upon the information you have provided me concerning your financial interests and the nature and circumstances of the potential particular matters involved within your position description. In 2009, you were involved in two reviews (August and November) of the WTP to provide recommendations related to the management of the WTP design and construction project. These reviews were designed to be a snapshot in time. Members of the group were selected for their independence from the WTP project and because of their expertise in a specific area. The August review covered cost, schedule and risk; environment, health, safety, and quality assurance; commissioning; technical confidence; and management. The group was primarily focused on DOE's and BNI's management of the WTP. DOE has implemented the various recommendations of the group. DOE conducted a follow-up review in November in 2009. Subsequently DOE has completed actions to implement the various recommendations from the two reviews. A third review is being conducted the first week in May, in which you are not participating, during which the actions being implemented by DOE are being evaluated to determine whether those changes were effective and will result in the WTP being completed on time, within budget. While your involvement in these earlier two groups was compensated by BMI and charged to DOE, it was not part of the subcontract between BMI and BNI concerning the WTP.

As the WTP Federal Project Director, you are responsible for overseeing the construction of the WTP. As Federal Project Director, you have the authority and responsibility to develop, optimize, and integrate all requirements related to the design, commission, construction, and operation of the WTP. This responsibility includes overseeing and managing the development of the WTP project definition, technical scope, and budget to support this mission, and the day-to-day line management. In addition, you are responsible for directing the project planning, execution, and management of the WTP and you serve as the Contracting Officer Representative (COR), and primary point-of-contact to all stakeholders and the community regarding the WTP and its purpose. Lastly, you will also oversee all aspects of the project's safety, participate in the formulation and development of WTP policies, and focus on improving the cost and schedule of the project.

The WTP is a \$12.2 billion nuclear waste cleanup project. The annual budget in fiscal year 2010 is approximately \$690 million. As part of that mission, DOE has contracted with BNI to design, construct, and commission the WTP to treat the radioactive waste, separate it into high- and low-activity fractions, and produce canisters of high-level waste (HLW) glass and containers of low-activity waste (LAW) glass. Construction on the facility began in 2001, and the project is expected to be complete in 2019. Currently, the Plant is at approximately 80% design and 50% construction completion.

Although BNI performs the majority of the work supporting the design and construction of the WTP, PNNL and, to a much lesser extent, Oak Ridge National Laboratory (ORNL) provides research and technical assistance to DOE's Office of Environmental Management (EM) and BNI in support of the WTP. Over the course of the project, PNNL and ORNL have conducted research and testing in the following areas in support

of BNI's design: seismological studies, waste characterization, regulatory data quality objectives, Cs/Tc ion exchange, Sr/TRU precipitation, ultra filtration, pulsed jet mixing, low-activity waste vitrification, high-level waste vitrification, statistics for waste form qualification, and staff augmentation to research and technology and process technology departments stack emissions modeling. The primary activity being performed by BMI in support of WTP is support to solve an issue related to jet pulse mixing – a method to be used to mix and facilitate transport of wastes in the WTP pretreatment facility.

Prior to being assigned as the WTP Federal Project Director, as an employee of BMI, you were responsible for activities under the M&O contract for PNNL activities, but unrelated to the WTP portion of that contract. Specifically, you were the Division Director of the PNNL Strategic Projects Division. In this position, you were responsible for the implementation of strategic objectives through project delivery. You were tasked to oversee professional project managers and staff from other organizations whose combined experience and contributions supported the delivery or peer review of major projects in the DOE Office of Science. You also served as the Associate Laboratory Director of the Linac Coherent Light Source (LCLS) Directorate and Accelerator Directorate at the Stanford Linear Accelerator Center (SLAC). Here, you were responsible for improving construction safety performance, implementing LCLS commissioning, and completing operational start up of LCLS as the world's highest intensity free electron laser. In addition, you were asked to create and deploy the accelerator directorate which is responsible for beam delivery, accelerator engineering and accelerator science and technology missions at SLAC. The Accelerator Directorate is an organization of more than 700 staff and an annual budget of \$150 million.

You have demonstrated experience and results with strategic project planning, technical resource management, contracting, baseline management, communications, risk management, and cost, schedule, and quality management. Specifically, as a BMI employee, you were instrumental in developing and implementing a plan to remove DOE's Office of Science from the General Administration Office's High Risk List for Project Management. EM remains on this list. One of the contributing factors preventing EM from being removed from this list is the management concerns related to WTP. Your demonstrated ability to complete significant projects on time and on budget is one of the principal reasons why you were appointed to this position. The Secretary of Energy has personally identified you as a person critical to reducing the time and cost of the WTP. It is your professional experience that has prompted the Secretary to request your services in managing the WTP.

You have an immediate financial conflict of interest under 18 U.S.C. § 208 because you have a continuing financial interest in BMI. Pursuant to the Intergovernmental Personnel Act, you remain an employee of BMI; however, you are subject to the Federal conflict of interest statutes and regulations. Because BMI is the M&O contractor at PNNL and a party to the LLC that manages and operates ORNL, you are precluded from participating in a particular matter that has a direct and predictable effect upon these laboratories, pursuant to 18 U.S.C. § 208. As previously stated, PNNL and ORNL conduct research

and testing in support of the WTP. Therefore, a waiver of section 208, in accordance with section 208(b), is required if you are to work on such matters affecting BMI.

This waiver will permit your participation in managing the WTP notwithstanding the fact that a small portion of the design activities will be provided by BMI, through PNNL and ORNL. However, this waiver does not permit you to participate in rating the performance of PNNL or ORNL; you cannot provide input to the DOE Office of Science for the purpose of determining the award fee for either laboratory; nor can you assign work or issue task orders to PNNL or ORNL. Further, you may not participate in any other matter effecting WTP in which BMI is a party should that circumstance arise in the future. You may review any reports or work product from PNNL or ORNL that supports the WTP design. You can use this information solely to educate yourself in making decisions related to the WTP, such as managing and evaluating the progress of the WTP design and construction in relationship to established milestones. Should you determine that additional information is required from PNNL or ORNL, or if you believe that information provided by these laboratories is incomplete, you must forward this to the Deputy Federal Project Director or the appropriate individual facility Federal Project Director to determine what action is required. You have delegated your authority to make any determinations regarding the direction of funding to PNNL or ORNL to the Deputy Directors who possesses sufficient technical expertise to exercise their independent judgment. This waiver does not extend to your participation in any procurement or contract administration matters with BMI, such as resolution of performance disputes, evaluation of performance, modifications or extension of the BMI contract. Nor does it extend to your participation in any review of the August and November 2009 reports that you previously worked on.

As the official authorized to grant a waiver in accordance with 18 U.S.C. § 208(b)(1), I have determined that your otherwise disqualifying financial interests are not so substantial as to be deemed likely to affect the integrity of your services to the Government. This determination is made based upon the following facts:

- (1) PNNL's annual budget is \$1 billion. In fiscal year 2010, \$67 million of this funding has been attributed to work completed by PNNL at Hanford in support of EM and its contractors. Approximately \$6 million of this funding has been for work at the WTP, or less than 1% of PNNL's total annual budget.
- (2) The annual budget of ORNL is \$1.2 billion. In fiscal year 2010, \$83 million of this funding has been in support of EM projects. Of this funding, less than \$100,000 is attributed to work completed by ORNL in support of the WTP, or less than 1% of ORNL's total annual budget.
- (3) The funding from EM is almost entirely directed to the Research and Development organizations within PNNL, a different division than the one in which you were employed. Current PNNL and ORNL activities in support of ORP are focused on

- researching issues related to jet pulse mixing. This is a matter from which you will be recused.
- (4) The Deputy Federal Project Directors will assign work and issue task orders in support of the WTP to PNNL and ORNL.
  - (5) The Deputy Federal Project Director will provide any comments regarding PNNL and ORNL performance with regard to the WTP to the Office of River Protection (ORP). ORP submits these comments to EM Headquarters, as well as feedback related to other EM work to the Office of Science. The Office of Science is responsible for determining the final fee award BMI receives. The Office of Science has a complex system for the rating of all laboratories within their mission. It is a process involving written criteria and established numeric values applied across the board. The ability to have any direct and predictable effect on the recommendations for award fees to BMI as a result of the WTP project is, in a practical sense, extremely remote.
  - (6) Your previous involvement in the WTP was limited to these two management reviews, and you have never participated in the actual scientific work that BMI performs for WTP. Your participation in these management reviews occurred before your IPA assignment was contemplated. Your duties under the IPA will not include any review of these two reports and this waiver does not extend to your participation in any work that you performed as part of the reviews.

As the WTP Federal Project Director, you are concerned with the overarching focus and direction of the WTP. You are to ensure that the internal program and technical milestones are being attained, and the overall quality of the WTP design and construction are being achieved. Based on your specialized expertise in this area, it is essential you be issued a waiver of 18 U.S.C. § 208 that allows you to participate in limited particular matters affecting BMI.

The Office of Government Ethics has been consulted in the issuance of this waiver, and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.

cc: Susan F. Beard, GC-77

Donner

United States Government

Department of Energy

Bonneville Power Administration

# memorandum

DATE: May 20, 2010

REPLY TO  
ATTN OF: DK-7

SUBJECT: Utilities Telecom Council Board Waiver

to: Sonya Baskerville, Manager, National Relations (DKN-7)

Pursuant to 18 U.S.C. § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests are deemed to include those of an organization for whom you serve on the board of directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-federal entity where such service is performed in the employee's official capacity.

You were asked to serve, in your official capacity, on the board of the Utilities Telecom Council (UTC), a global trade association. Federal utilities have historically had a federal utilities' representative on the UTC board. UTC is a global trade association dedicated to creating a favorable business, regulatory, and technological environment for companies that own, manage, or provide critical communications systems for utility operations including electric utilities.

Today, UTC is the only trade organization representing the interest of utilities' operational communications throughout the nation. UTC is the front runner in ensuring that the electrical industry proactively protects critical infrastructure communications facilities that are the backbone for control and operation of our nation's power systems, which is a vital national security interest. The cyber security of critical infrastructure was the subject of recent legislative and administrative efforts and UTC is working with the electric utility industry to address these concerns.

UTC is also a resource to the House Energy and Commerce Committee, Senate Energy Committee, and House and Senate Homeland Security Committees for educational information related to utilities' operational communications. UTC's efforts influence standards and directives issued by the North American Electric Reliability Corporation (NERC) for critical communications infrastructure protection. UTC also has been working with the electricity industry to define common approaches and objectives related to allocation of spectrum for critical digital radio control systems and the smart grid. This allocation of spectrum is critical to system operation.

Policy and standards promoted by UTC for the protection and operation of the electric utility industry's operational communications and information technology become industry standards. Acknowledging UTC's role in effecting industry policy and standards, DOE's Office of Electricity Delivery and Energy Reliability expects to seek advice from UTC on the National Broadband Plan. This plan requires DOE, in collaboration with the FCC, to study the communications requirements of electric utilities to form federal smart grid policy.

UTC's board structure permits utilities to engage in decision making that benefits the industry as a whole while taking into account the wide array of missions of the various utility types. Without representation on the board, federal utilities' unique objectives and concerns would not be addressed. A gap in federal utility expertise on the UTC board can result in policy decisions that are a hindrance to its federal utility members. Electric utility industry policy decisions have a major impact on the operations of Bonneville Power Administration (BPA), TVA, and the Power Marketing Administrations (PMAs). BPA, TVA, and the other PMAs operate and maintain significant power systems and high voltage transmission. BPA's control area covers all of Oregon, Washington, Idaho and parts of Montana, California, and Nevada. All of the PMA's combined cover the entire Western United States and most of the Southeast. Federal utilities require direct representation in these policy development decisions because they directly impact critical federal infrastructure operations covering a large portion of the United States' power grid.

Under BPA's organic statutes and the Energy Policy Act of 2005 reliability requirements (enforced through the NERC), BPA has a legal obligation to maintain the reliability of its power facilities. BPA's power and transmission facilities' communication systems are critical to maintaining this reliability. Federal utilities must work with non-federal entities to ensure the reliability and protection of these critical communications systems and the UTC is the only forum for collaboration on utilities' communication policies and standards.

If BPA's and the other federal utilities' positions are not represented on UTC's board, federal utilities will miss the opportunity to negotiate their concerns and interests within the industry community, creating an uphill battle for federal utilities with Congress, the Federal Energy Regulatory Commission, the NTIA, FCC, and other interests engaged in establishing federal requirements for critical operational communications. BPA is a member of UTC to avoid being outside the sphere of influence on these significant policy initiatives that are shaped by the UTC.

As BPA's National Relations Manager, you are duty stationed in Washington D.C. to oversee, enhance, or discourage any legislative or regulatory efforts that could have major impacts on BPA's critical mission functions. You have daily responsibility for federal legislative and regulatory affairs. Your position requires you to coordinate closely with the other PMAs and TVA to understand the federal utilities' statutory similarities and differences, so that potential legislative and regulatory impacts may be addressed to conform to each agency's unique authorities. The federal utilities often work together as a team to influence legislative and regulatory impacts, and your representation of their interests on the UTC would provide that combined influence.

You are authorized to engage directly with the Congress, the Executive Branch, and interest groups and trade organization to carry out those duties. The reliability of BPA's power system is of paramount importance, and it is your job to assure that the reliability of BPA's power system is not jeopardized by efforts ongoing within these forums. In addition, in your former role as Assistant General Counsel for Transmission, you were the subject matter expert on legal issues related to operational communications. Consequently, your membership on the UTC board is ideal given your role in Washington.

Your active participation as a board member will ensure that BPA's and the other federal utilities' critical reliability needs are expressly considered in the decisions on industry policy

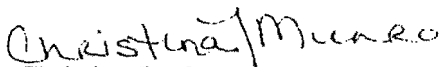
related to this critical mission function. There is no one else within BPA with daily responsibility for federal legislative and regulatory affairs.

You will not receive compensation as a board member. You will serve a three year term ending May 2013. BPA views your participation on UTC's Board as critical for the protection of BPA's communications interests.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives, in advance, a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Board of Directors of UTC in your official capacity. A potential conflict exists under 18 U.S.C. § 208 because your service on the Board of Directors in your official capacity is required in order to meet the objectives of DOE programs and, as a board member, you have a fiduciary duty. Accordingly, pursuant to 18 U.S.C. 208(b)(1), I have determined that your imputed financial interest in UTC, as a member of its Board of Directors, is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you because the interests of the Government and the organization are parallel and non-adversarial. Under the terms of this waiver, you must not participate personally and substantially in a particular matter at the Department (aside from those activities undertaken as a member of the UTC board) that will have a direct and predictable effect upon the financial interests of UTC. Thus, for example, you may not participate in any decisions that the Department may make to provide funding, grant a contract, or provide resources to UTC. In addition, you may not represent UTC before the Federal Government where there is an intent to influence the Government. Further, you may not fundraise on behalf of UTC, nor request Federal funds on the UTC's behalf.

The Office of Government Ethics has been consulted with regards to this waiver, and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.

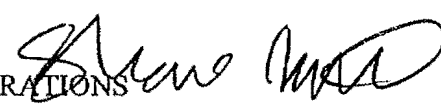
  
Christina J. Munro  
Chief, Public Affairs Officer

Cc: Donna Oden-Orr - LC-7 (3)



MEMORANDUM FOR: DR. RAJEEV RAM  
PROGRAM MANAGER

FROM: SHANE M. KOSINSKI  
DEPUTY DIRECTOR FOR OPERATIONS  
ADVANCED RESEARCH PROJECTS AGENCY – ENERGY



SUBJECT: WAIVER PURSUANT TO 18 U.S.C. § 208(b)

Section 208, Title 18 of the United States Code prohibits an employee, including an individual who is on detail pursuant to the Intergovernmental Personnel Act, from participating personally and substantially, as a Government employee, in any particular matter in which, to the employee's knowledge, a financial interest is held by the employee, a spouse, minor child, general partner, any organization in which the employee is serving as an officer, director, trustee, general partner, or employee, or any person or organization with whom the employee is negotiating or has any arrangement concerning prospective employment. This participation prohibition not only covers such items as contracts, grants, loan guarantees, cooperative agreements, and claims, but it also includes legislation and policy-making that is focused upon the interests of specific persons, or a discrete and identifiable class of persons.

The statute does not bar an employee from having any particular financial interest, but it does require an employee to refrain from participating in matters which would affect such interests. In a case where a conflicting financial interest exists, an employee may act in his official capacity only "if the officer or employee first advises the Government official responsible for appointment to his or her position of the nature and circumstances of the particular matter and makes full disclosure of the financial interest and receives in advance a written determination made by such official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such officer or employee." 18 U.S.C. § 208(b)(1).

You have requested a waiver pursuant to that section to allow you to participate in particular matters affecting your financial interest. This waiver is issued based upon the information you have provided me and Department management has provided regarding the nature and circumstances of the potential particular matters involved within your position description and your full disclosure of financial interests.

You are a detailee under an Intergovernmental Personnel Act Agreement between the Department of Energy and Massachusetts Institute of Technology (MIT). The period of your initial detail agreement is 2 years with the potential for a renewal not to exceed a total of 4 years. You have been assigned to duties as a Program Manager for the Advanced Research Projects

Agency – Energy (ARPA-E). As a Program Manager, you will be responsible for establishing research and development goals for the program, soliciting applications, building research collaborations, selecting projects to be supported by ARPA-E, monitoring the progress of those projects and making recommendations about restructuring or terminating research partnerships and projects. Funding Opportunity Announcements (FOA) set forth DOE's interest in receiving applications from parties possessing a relatively well formed R & D plan for a transformational concept or new technology that can make a significant contribution towards attainment of the Administration's Energy and Environment Agenda. Applicants submit a brief concept paper. A smaller number of concept papers will be chosen to submit full applications for funding.

You are one of four current Program Managers<sup>1</sup>. At present, the general duties of Program Managers are to: (1) personally conduct reviews of concept papers, if required; (2) oversee the activities of independent reviewers of concept papers, if used, in the process to down select, based on technical sufficiency, to a smaller number of applicants; (3) participate in recommending which applicants will be invited to submit full applications (70-120), (4) participate in ranking all applications in order of merit; (5) participate in organizing the applications into functional areas; (6) participate in setting target funding levels for each subset; (7) lead a merit review process, by use of review panels, to evaluate applications either as a whole or in discreet functional areas; and (8) participate in recommending applications for further negotiation with a goal of actual financial award (20-50).

You are likely to have a financial conflict of interest because MIT will likely submit a concept paper, or collaborate with an applicant, on multiple concept papers in response to ARPA-E FOA(s) under your responsibility. Under the Intergovernmental Personnel Act Agreement, you remain an employee of MIT. Because an employment interest is a continuing financial interest, and all applicants will be competing for one finite amount of funding, your continuing employment interest with MIT creates a conflict of interest under 18 U.S.C. § 208. Therefore, a waiver of section 208, in accordance with section 208(b) is required if you are to work on such matters. This waiver, however, does not permit you to evaluate applications submitted directly by MIT or those that are submitted as a result of a collaborative effort between MIT and another entity. You are required to physically walk out of the room/leave a phone or video conference when any MIT related application is discussed.

As the official responsible for appointing you to your position, I have determined that your otherwise disqualifying financial interests are not so substantial as to be deemed likely to affect the integrity of your services to the Government. This determination is made based upon the following: (1) ARPA-E FOA(s) are expected to result in 100-150+ concept papers at phase I of the application process, followed by a second phase of some 100+ Full Applications; (2) MIT is likely to submit concept papers for consideration or as a member of a collaborative effort submitting a concept paper; (3) at the initial review stage, the review of the concept papers for technical sufficiency (and first down select) will be conducted by you, except for any concept papers involving MIT, which will be reviewed by another ARPA-E technical expert appointed by the Selection Official - the Director of ARPA-E - and that expert will provide a recommendation to the Selection Official on whether MIT should be invited to submit any Full

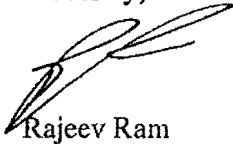
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<sup>1</sup> A fifth Program Manager is expected to start on or about March 15. It is expected that the number of Program Managers will eventually reach 7-10 over the next few months.

Applications; (4) at no stage in the entire process will you review any concept paper or application submitted by MIT either on its own behalf or as a member of any collaborative effort; (5) no concept paper or application currently under consideration has been or will be submitted by you or includes you on the research team; (6) all Full Applications will be reviewed by a multi-expert Technical Review Panel; (7) you will be an ad hoc attendee at the Panel meetings, but you will not review – nor attend any Panel discussions of – MIT Full Applications; (8) the Panel Chair will be responsible for assembling reviewers' scoring and comments at Panel discussions. There will be no consensus scoring; (9) the Panel's scoring and comments will be presented to an ARPA-E Merit Review Board (MRB), consisting of you and two other civil servants. The MRB (except for MIT applications) will, by consensus, establish one rank order of all full applications and make selection recommendations to the Selection Official (you will not participate in any discussions or recommendations concerning funding for MIT); (10) final decisions with regard to the award of funding will be made by the Director of ARPA-E as Selection Official; (11) the evaluations of all reviewers, including you, will be monitored to identify scoring outside the average range of panelist scores, and those reviewers with scores outside the average range will submit a written explanation of those deviation scores for the Panel's records; (12) you will not participate in any recommendations for funding of applications if, in the aggregate, MIT is an applicant or is a collaborative entity in any other applications and the number of those applications exceeds 20 per cent of the eligible applications; and (13) for awards to, or other specific party matters involving, MIT, you will not serve as technical monitor of agreements or other matters with MIT nor will these duties or any other duties involving MIT be assigned to technical experts/Program Managers that report to you.

The Office of Government Ethics has been consulted in the issuance of this waiver, and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rajeev Ram', with a stylized, flowing script.

cc: Susan Beard, GC-77

United States Government

208 Waivers  
Department of Energy  
Bonneville Power Administration

# memorandum

DATE: OCT 13 2009

REPLY TO  
ATTN OF: A-7

SUBJECT: Conflict-of-Interest Waiver - Northwest Energy Efficiency Alliance

TO: Anita J. Decker  
Chief Operating Officer – K-7

Pursuant to 18 USC § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve on the board of directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-federal entity where such service is in an official capacity as a Department employee.

The Pacific Northwest Electric Power Planning and Conservation Act (NW Power Act) requires the Bonneville Power Administration (BPA) to assure the Pacific Northwest of an adequate, efficient, economical, and reliable power supply. The Act directs BPA to acquire resources through the use of renewable resources and conservation. You were asked to serve on the Northwest Energy Efficiency Alliance, Inc. (NEEA) Board of Director's Executive Committee in your official capacity. You will receive no compensation for this service. The NEEA is a non-profit corporation supported by BPA, electric utilities, public benefits administrators, state governments, public interest groups and energy efficiency industry representatives. These entities work together to make affordable, energy-efficient products and services available in the marketplace with the goal of accelerating the adoption of energy-saving products and services in the existing marketplace.

The NEEA has a 28-member Board consisting of representatives from the BPA, consumer- and investor-owned utilities, state government, and public interest and efficiency industry organizations. Two consumer representatives also sit on the board and a staff member for each of the four state regulatory agencies holds an ex-officio (non-voting) seat. The NEEA also has an Executive Committee composed from its board members. Directors serve a three year term and Executive Committee members serve a one year term.

BPA is one of four power marketing entities that operate under the Department of Energy. BPA's service area covers three states and portions of five other states in the Pacific Northwest. BPA operates 75% of the high voltage transmission assets in the Pacific Northwest and markets 45% of the power. As the region's largest power marketer and transmission provider, BPA must be an active participant in forming regional energy policy to protect Federal rate payers and to advance the stated purposes of the Pacific Northwest Power Act.

Under the NW Power Act, the Northwest Power and Conservation Council is directed to develop Regional Power Plans guiding how the four states of the Pacific Northwest will meet the electricity needs of this region. One of the most important elements of that plan is the

specific target for conservation in the region. Conservation is specified as the first resource of preference under the NW Power Act. The most recent power plan, the draft Sixth Northwest Power and Conservation Plan (NWP&C), identifies the need for BPA to secure public power's share of 1200 average/megawatts annually over the next 5 years. This is a significant increase over the Fifth NWP&C and will require significantly more collaboration and coordination between BPA and NEEA in the areas of market transformation and other new regional conservation initiatives. The energy savings achieved by NEEA are counted towards BPA's conservation goal. Further, because of NEEA's focus on market transformation strategies, those energy savings are delivered to BPA at the lowest cost of any alternative energy savings BPA can achieve in this region. Thus, it is critical to BPA's conservation success to have NEEA as part of the resources we assemble to achieve the conservation targets specified by the Power Council.

As BPA's Chief Operating Officer, you provide leadership and direction within BPA for Power Services, who looks to conservation as a resource, and Energy Efficiency, who implements programs to secure the conservation. As a NEEA board member you will assist NEEA in achieving its annual business plan and long term strategy which will have a significant impact on BPA's success in achieving the regional goals set by NWP&C. As such, the work required to satisfy your responsibilities to NEEA are directly in line with your duties as the Chief Operating Officer because BPA's and NEEA's goals are closely aligned.

I consider your participation, as BPA's Chief Operating Officer, on the NEEA Board of Directors, critical to ensuring that BPA's conservation targets are met. Your duties on the Board will include reviewing and approving budget and policy, making program recommendations, providing strategic direction, and evaluating the performance of the NEEA Director. Your position as COO does not make funding decisions relating to NEEA. Those decisions are made by the BPA's Administrator, Stephen Wright, directly.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Board of Directors of NEEA in your official capacity. A potential conflict exists under 18 U.S.C. § 208 because your service on the Board of Directors in your official capacity is required in order to meet the objectives of DOE programs and, as a board member, you have a fiduciary duty. Accordingly, pursuant to 18 U.S.C. 208(b)(1), I have determined that your imputed financial interest in NEEA, as a member of its Board of Directors, is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you because the interests of the Government and the organization are parallel and non-adversarial. Under the terms of this waiver, you must not participate personally and substantially in a particular matter at the Department (aside from those activities undertaken as a member of the NEEA board) that will have a direct and predictable effect upon the financial interests of NEEA. Thus, for example, you may not participate in any decisions that the Department may make to provide funding or resources to

NEEA. In addition, you may not represent NEEA before the Federal Government where there is an intent to influence the Government.

The Office of Government Ethics has been consulted with regards to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303

A handwritten signature in black ink, appearing to read "Stephen J. Wright". The signature is stylized with a large, sweeping "S" and "W".

Stephen J. Wright  
Administrator and Chief Executive Officer

cc:

Sue Wadel, DOE/OGC, GC-77

Admin. Chron. File – A-7

M. Wooldridge – LC-7

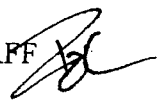
D. Oden-Orr – LC-7



Department of Energy  
Washington, DC 20585

August 20, 2009

MEMORANDUM FOR STEPHEN J. WRIGHT  
ADMINISTRATOR AND CHIEF EXECUTIVE OFFICER  
BONNEVILLE POWER ADMINISTRATION

FROM: ROD O'CONNOR, CHIEF OF STAFF   
SUBJECT: Electric Power Research Institute (EPRI) 208(b)(1) Waiver

Pursuant to 18 U.S.C. § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve on the Board of Directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the Board of Directors of a non-Federal entity where such service is in an official capacity.

You have been asked, in your official capacity, to assume the seat on the Board of Directors of the Electric Power Research Institute (EPRI), which was previously held by the Deputy Administrator of the Bonneville Power Administration (BPA), Steve Hickok.

EPRI is an independent nonprofit membership organization that conducts national research to develop programs for the benefit of the public. EPRI develops innovative technology solutions for a wide variety of problems related to the production, transmission, distribution, and utilization of electrical energy. EPRI members may utilize EPRI information and technology for internal and commercial use. EPRI has approximately 700 members from all segments of the electric utility industry. The member electrical utilities together produce approximately 90 percent of the electricity generated and delivered in the United States and international participation extends to 40 countries.

The EPRI Board is composed of 33 members and meets three times annually. The EPRI by-laws specify that Federally-owned entities are represented by two members of the EPRI Board, one of whom is the Administrator of BPA or his/her designee. At its meetings, the Board discusses and votes on a variety of issues, including research and development on technical matters of concern to EPRI members, as well as EPRI's annual budget and finances. You will not be compensated for your participation on the Board.



BPA is one of four power-marketing entities that operate under the Department of Energy. BPA's service area covers three States and portions of five other States. In the Pacific Northwest, the BPA markets 45 percent of the electrical power and operates over 75 percent of the high voltage transmission lines. As the region's largest power marketer and transmission provider, BPA must be an active participant in forming regional energy policy to protect Federal rate payers and to advance the stated purposes of the Pacific Northwest Power Act. As BPA's Chief Executive Officer, who is both leading the agency's strategy development and positioning the agency among the power systems of the Western Interconnection, you are best suited to assume the role that is designated for an EPRI Director from BPA.

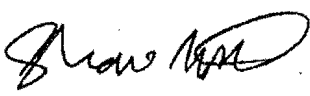
Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Board of Directors of EPRI in your official capacity. A potential conflict exists under 18 U.S.C. § 208 because your service on the Board of Directors in your official capacity is required in order to meet the objectives of DOE programs and, as a Board Member, you have a fiduciary duty. Accordingly, pursuant to 18 U.S.C. 208(b)(1), I have determined that your imputed financial interest in EPRI is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you because the interests of the Government and the organization are parallel and non-adversarial. Under the terms of this waiver, you must not participate personally and substantially in a particular matter at the Department (aside from those activities undertaken as a member of the EPRI Board) that will have a direct and predictable effect upon the financial interests of EPRI. Thus, for example, you may not participate in any decision that the Department may make to provide funding or resources to EPRI. In addition, you may not represent EPRI before the Federal Government where there is an intent to influence the Government.

The Office of Government Ethics has been consulted with regard to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2460.303.



MEMORANDUM FOR: DR. RAVI PRASHER  
PROGRAM MANAGER

FROM: SHANE KOSINSKI   
DEPUTY DIRECTOR  
ADVANCED RESEARCH PROJECTS AGENCY – ENERGY

SUBJECT: WAIVER PURSUANT TO 18 U.S.C. § 208(b)

Section 208, Title 18 of the United States Code prohibits an employee, including an individual who is on detail pursuant to the Intergovernmental Personnel Act, from participating personally and substantially, as a Government employee, in any particular matter in which, to the employee's knowledge, a financial interest is held by the employee, a spouse, minor child, general partner, any organization in which the employee is serving as an officer, director, trustee, general partner, or employee, or any person or organization with whom the employee is negotiating or has any arrangement concerning prospective employment. This participation prohibition not only covers such items as contracts, grants, loan guarantees, cooperative agreements, and claims, but it also includes legislation and policy-making that is focused upon the interests of specific persons, or a discrete and identifiable class of persons.

The statute does not bar an employee from having any particular financial interest, but it does require an employee to refrain from participating in matters which would affect such interests. In a case where a conflicting financial interest exists, an employee may act in his official capacity only "if the officer or employee first advises the Government official responsible for appointment to his or her position of the nature and circumstances of the particular matter and makes full disclosure of the financial interest and receives in advance a written determination made by such official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such officer or employee." 18 U.S.C. § 208(b)(1).

You have requested a waiver pursuant to that section to allow you to participate in particular matters affecting your financial interest. This waiver is issued based upon the information you have provided me and Department management has provided regarding the nature and circumstances of the potential particular matters involved within your position description and your full disclosure of financial interests.

You were hired by the Department of Energy for a three year limited term position. You have been assigned to duties as a Program Manager for the Advanced Research Projects Agency – Energy (ARPA-E). As a Program Manager, you will be responsible for establishing research and development goals for the program, soliciting applications, building research collaborations, selecting projects to be supported by ARPA-E, monitoring the progress of those projects; and

monitoring the progress of the projects and making recommendations about restructuring or terminating research partnerships and projects. You will also be responsible for Funding Opportunity Announcements (FOA), which set forth DOE's interest in receiving applications from parties possessing a relatively well formed R & D plan for a transformational concept or new technology that can make a significant contribution towards attainment of the Administration's Energy and Environment Agenda. Applicants submit a brief concept paper. A smaller number of concept papers will be chosen to submit full applications for funding.

You are one of five current Program Managers<sup>1</sup>. At present, the general duties of Program Managers are to: (1) personally conduct reviews of FOA concept papers, if required; (2) oversee the activities of independent reviewers of concept papers, if used, in the process to down select, based on technical sufficiency, to a smaller number of applicants; (3) participate in recommending which applicants will be invited to submit full applications (70-120), (4) participate in ranking all applications in order of merit; (5) participate in organizing the applications into functional areas; (6) participate in setting target funding levels for each subset; (7) lead a merit review process, by use of review panels, to evaluate applications either as a whole or in discreet functional areas; and (8) participate in recommending applications for further negotiation with a goal of actual financial award (20-50).

You are likely to have a financial conflict of interest because you are an Adjunct Professor at the Arizona State University (ASU) working on research grants. ASU will likely submit a concept paper, or collaborate with an applicant, on multiple concept papers in response to ARPA-E FOA(s) under your responsibility. You have been approved to continue to work on two research grants and receive a stipend for your work with ASU while you are a federal employee. Because the stipend represents a financial interest in ASU and all applicants under the FOA will be competing for one finite amount of funding, your continuing financial interest with ASU creates a conflict of interest under 18 U.S.C. § 208. Therefore, a waiver of section 208, in accordance with section 208(b) is required if you are to work on such matters. This waiver, however, does not permit you to evaluate applications submitted directly by ASU or if it has collaborated with another entity to submit an application. Nor does it permit you to work on projects for ASU that will be submitted to ARPA-E. You are required to physically walk out of the room/leave a phone or video conference when any ASU related application is discussed. In addition, any additional grant work that you are considering in addition to the two current projects with ASU must be approved in advance by both me and by the DOE General Counsel's office.

As the official responsible for appointing you to your position, I have determined that your otherwise disqualifying financial interests are not so substantial as to be deemed likely to affect the integrity of your services to the Government. This determination is made based upon the following: (1) ARPA-E FOA(s) are expected to result in 100-150+ concept papers at phase I of the application process, followed by a second phase of some 100+ Full Applications; (2) ASU is likely to submit concept papers for consideration or as a member of a collaborative effort submitting a concept paper; (3) at the initial review stage, the review of the concept papers for technical sufficiency (and first down select) will be conducted by you, except for any concept papers involving ASU, which will be reviewed by another ARPA-E technical expert appointed by the Selection Official - the Director of ARPA-E - and that expert will provide a

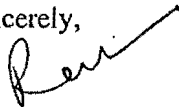
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<sup>1</sup> It is expected that the number of Program Managers will eventually reach 7-10 over the next few months.

recommendation to the Selection Official on whether ASU should be invited to submit any Full Applications; (4) at no stage in the entire process will you review any concept paper or application submitted by ASU either on its own behalf or as a member of any collaborative effort; (5) no concept paper or application currently under consideration has been or will be submitted by you or includes you on the research team; (6) all Full Applications will be reviewed by a multi-expert Technical Review Panel; (7) you will be an ad hoc attendee at the Panel meetings, but you will not review – nor attend any Panel discussions of – ASU Full Applications; (8) the Panel Chair will be responsible for assembling reviewers' scoring and comments at Panel discussions. There will be no consensus scoring; (9) the Panel's scoring and comments will be presented to an ARPA-E Merit Review Board, consisting of you and two other civil servants. The MRB (except for ASU applications) will, by consensus, establish one rank order of all full applications and make selection recommendations to the Selection Official (you will not participate in any discussions or recommendations concerning funding for ASU); (10) final decisions with regard to the award of funding will be made by the Director of ARPA-E as Selection Official; (11) the evaluations of all reviewers, including you, will be monitored to identify scoring outside the average range of panelist scores, and those reviewers with scores outside the average range will submit a written explanation of those deviation scores for the Panel's records; (12) you will not participate in any recommendations for funding of applications if, in the aggregate, ASU is an applicant or is a collaborative entity in any other applications and the number of those applications exceeds 20 per cent of the eligible applications; and (13) for awards to, or other specific party matters involving, ASU, you will not serve as technical monitor of agreements or other matters with ASU nor will these duties or any other duties involving ASU be assigned to technical experts/Program Managers that report to you.

The Office of Government Ethics has been consulted in the issuance of this waiver, and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.

Sincerely,



Ravi Prasher

cc: Susan Beard, GC-77

June 23, 2009

MEMORANDUM FOR: DR. ERIC TOONE  
PROGRAM MANAGER

FROM: SHANE M. KOSINSKI  
DEPUTY DIRECTOR FOR OPERATIONS  
ADVANCED RESEARCH PROJECTS AGENCY – ENERGY



SUBJECT: WAIVER PURSUANT TO 18 U.S.C. § 208(b)

Section 208, Title 18 of the United States Code prohibits employees, including individuals who are on detail pursuant to the Intergovernmental Personnel Act, from participating personally and substantially, as Government employees, in any particular matter in which, to the employees knowledge, a financial interest is held by the employee, a spouse, minor child, general partner, any organization in which the employee is serving as an officer, director, trustee, general partner, or employee, or any person or organization with whom the employee is negotiating or has any arrangement concerning prospective employment. This participation prohibition not only covers such items as contracts, grants, loan guarantees, cooperative agreements, and claims, but it also includes legislation and policy-making that is focused upon the interests of specific persons, or a discrete and identifiable class of persons.

The statute does not bar an employee from having any particular financial interest, but it does require an employee to refrain from participating in matters which would affect such interests. In a case where a conflicting financial interest exists, an employee may act in his official capacity only "if the officer or employee first advises the Government official responsible for appointment to his or her position of the nature and circumstances of the particular matter and makes full disclosure of the financial interest and receives in advance a written determination made by such official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such officer or employee." 18 U.S.C. § 208(b)(1).

You have requested a waiver pursuant to that section to allow you to participate in particular matters affecting your financial interest. This waiver is issued based upon the information you have provided me and Department management has provided regarding the nature and circumstances of the potential particular matters involved within your position description and your full disclosure of financial interests.

You are a detailee under an intermittent Intergovernmental Personnel Act Agreement between the Department of Energy and Duke University. The period of your initial detail agreement is 1 year with the potential for a renewal not to exceed a total of 4 years. You have been assigned to duties as a Program Manager for the Advanced Research Projects Agency –

Energy (ARPA-E), a new entity within DOE established pursuant to the America COMPETES Act, Public Law 110-69. As a Program Manager, you will be responsible for establishing research and development goals for the program, soliciting applications, building research collaborations, selecting projects to be supported by ARPA-E, monitoring the progress of those projects; monitoring the progress of the projects and making recommendations about restructuring or terminating research partnerships and projects. Specifically as a Program Manager, you will focus immediately on a pending Funding Opportunity Announcement (FOA) which announced DOE's interest in receiving applications from parties possessing a relatively well formed R & D plan for a transformational concept or new technology that can make a significant contribution towards attainment of the Administration's Energy and Environment Agenda. Applicants submitted an up to 8 page concept paper and approximately 4500 have actually been received. The Program Managers will participate in a process to ultimately select approximately 200-300 potential concept papers the authors/sponsors of which will be invited to submit full applications for funding. Initial applicants who are not encouraged to submit a full application by the Department may still do so if they wish.

You are one of two current Program Managers<sup>1</sup>. At present, the two current Program Managers will: (1) personally conduct reviews of concept papers; (2) oversee the activities of independent reviewers of concept papers with an overall program goal to reduce the number of applicants to 500 based on technical sufficiency; (3) recommend further reductions in the number of applicants invited to submit full applications (estimated to be 200-300), (4) participate in ranking all applications in order of merit; (5) participate in organizing the applications into functional areas such as solar, geothermal, photovoltaics, biomass, etc.; (6) participate in setting target funding levels for each subset; (7) lead a merit review process, by use of review panels, to evaluate applications in at least one functional area; and (8) recommend applications for funding (currently estimated to be 50-75 applications).

You have a financial conflict of interest because Duke University has submitted two concept papers in response to the ARPA-E FOA, and two concept papers were submitted with Duke University listed as a partner to another organization. However, none of these concept papers were submitted by you on behalf of the University. Under the Intergovernmental Personnel Act Agreement, you remain an employee of Duke University. Because an employment interest is a continuing financial interest and all applicants will be competing for one finite amount of funding, your continuing employment interest with Duke University creates a conflict of interest under 18 U.S.C. § 208. Therefore, a waiver of section 208, in accordance with section 208(b) is required if you are to work on such matters. This waiver, however, does not permit you to evaluate applications submitted directly by Duke University or if it has collaborated with another entity to submit an application. You are required to physically walk out of the room/leave a phone or video conference when any Duke University related application is discussed.

As the official responsible for appointing you to your position, I have determined that your otherwise disqualifying financial interests are not so substantial as to be deemed likely to affect the integrity of your services to the Government. This determination is made based upon

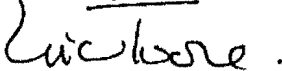
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<sup>1</sup> A third Program Manager is scheduled to start on July 8<sup>th</sup>. It is expected that the number of Program Managers will eventually reach 5-7 over the next few months.

the following facts: (1) the ARPA-E FOA resulted in approximately 4500 concept papers at phase I of the application process; (2) Duke University has submitted two concept papers for consideration and two concept papers were submitted with Duke University listed as a partner to another organization ; (3) at the initial review stage, the external review of the concept papers for technical sufficiency will be conducted using approximately 300 contractor and Federal employees ensuring that every concept paper is reviewed by at least two independent experts; (4) at no stage in the entire process will you review any application submitted by Duke University either on its own behalf or as a member of any collaborative effort; (5) you, in consultation with the other program managers and based upon the results proffered by 300 independent reviewers, will, by consensus, narrow the number of applicants to 200-300 who will be invited to submit full applications; (6) you, in consultation with the other program managers will, by consensus, establish subgroups of applications and set target subgroup funding levels; (7) all full applications will be reviewed by multi-expert panels which a program manager is expected to chair; (8) should Duke University be an applicant in any subgroup, you will not chair that particular panel although you may serve on that panel reviewing any application other than one involving Duke University; (9) you, in consultation with the other program managers will, by consensus, establish one rank order of all full applications, other than any submitted by Duke University, irrespective of subgroup; (10) you, in consultation with the other program managers will, by consensus, make recommendations for final funding (you will not participate in any recommendations concerning funding for Duke University); and (11) final decisions with regard to the award of funding will be made by the Deputy Director of ARPA-E, a full-time Federal employee.

The Office of Government Ethics has been consulted in the issuance of this waiver, and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.

Sincerely,



Eric Toone

cc: Sue Wadel GC-77

Waiver  
445.5



## Department of Energy

Bonneville Power Administration  
P.O. Box 3621  
Portland, Oregon 97208-3621

EXECUTIVE OFFICE

March 20, 2009

In reply refer to: LC-7

MEMORANDUM FOR BRIAN SILVERSTEIN  
ACTING SENIOR VICE PRESIDENT,  
TRANSMISSION SERVICES  
BONNEVILLE POWER ADMINISTRATION

FROM: ANITA DECKER  
CHIEF OPERATING OFFICER  
BONNEVILLE POWER ADMINISTRATION

SUBJECT: Conflict of Interest Waiver - WECC

Pursuant to 18 U.S.C. § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve on the board of directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-Federal entity where such service is in an official capacity.

The Pacific Northwest Electric Power Planning and Conservation Act requires the Bonneville Power Administration (BPA) to assure the Pacific Northwest of an adequate, efficient, economical, and reliable power supply. In your official capacity as Acting Senior Vice President, Transmission Business Line, you were selected to serve on the Board of Directors of the Western Electricity Coordinating Council (WECC). The WECC is a non-profit corporation formed in April 2002 from a merger of the Western Systems Coordinating Council, Southwest Regional Transmission Association, and Western Regional Transmission Association. The WECC encompasses fourteen Western states, two Canadian provinces, and portions of one Mexican State. Its members are represented by all segments of the electric industry.

The WECC is the Pacific Northwest's representative to the North American Electric Reliability Council (NERC). The WECC is the largest and most diverse reliability council of the ten regional councils of the NERC. The WECC and the nine other regional

reliability councils were formed due to the national concern regarding the reliability of the interconnected bulk power systems, the ability to operate these systems without widespread failures in electric service and the need to foster the preservation of reliability through a formal organization. The WECC supports efficient competitive power markets, and assures open and non-discriminatory transmission, as well as, providing a forum for coordinating the operating and planning activities of its 154 members.

The WECC Board of Directors currently has 30 members who meet four times a year; additional meetings are held when required. At its meetings, the board discusses a variety of issues including annual budget issues, policy, procedures, and standards for bulk electrical service reliability. You will be expected to participate fully as a board member but will receive no compensation.

BPA is one of four power-marketing entities that operate under the Department of Energy. BPA service area covers three states and portions of five other states that are included in the geographic area covered by WECC. BPA markets 45% of the power generation in the Pacific Northwest and operates approximately 75% of the region's high voltage transmission lines. As the region's largest power marketer and transmission provider, BPA must be an active participant in forming regional energy policy to protect Federal rate payers and to advance the stated purposes of the Pacific Northwest Power Act.

As the Acting Senior Vice President for the Transmission Business Line, you are responsible for the safe and reliable operation of BPA's transmission system grid. This is accomplished by overseeing the coordination and policy setting for transmission system planning, design, construction, operation, maintenance, and aircraft services. Indeed, BPA/DOE views your participation on WECC's Board as essential because active participation in the WECC is required for BPA to successfully carry out its mission. Service on the WECC's Board of Directors will allow you to present the BPA/DOE position on issues impacting grid and customer service reliability, as well as costs which impact Federal rate payers.

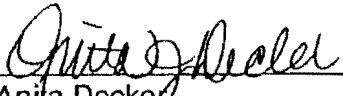
Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the service which the Government may expect from such employee or officer.

I have determined that you may serve on the board of directors of WECC in your official capacity. A potential conflict exists under 18 U.S.C. § 208 because your service on the Board of Directors in your official capacity is required in order to meet the objectives of



DOE programs and, as a board member, you have a fiduciary duty. Accordingly, pursuant to 18 U.S.C. 208(b)(1), I have determined that your imputed financial interest in WECC, as a member of its governing board, is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you because the interests of the Government and the organization are parallel and non-adversarial. Under the terms of this waiver, you must not participate personally and substantially in a particular matter at the Department (aside from those activities undertaken as a member of the WECC board) that will have a direct and predictable effect upon the financial interests of WECC. Thus, for example, you may not participate in any decisions that the Department may make to provide funding or resources to WECC. In addition, you may not represent WECC before the Federal Government where there is an intent to influence the Government.

The Office of Government Ethics has been consulted with regards to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303

  
\_\_\_\_\_  
Anita Decker  
Chief Operating Officer

03-20-09  
\_\_\_\_\_  
Date

cc  
Sue Wadel, DOE/OGC, GC-77  
Mary Wooldridge, LC-7

United States Government

Department of Energy

Bonneville Power Administration

# memorandum

DATE: NOV 20 2008

REPLY TO  
ATTN OF: LC-7

SUBJECT: Conflict-of-Interest Waiver - Smart Grid Policy Center

to: Terry V. Oliver, Chief Technology Innovation Officer – DE-3

Pursuant to 18 USC § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve on the board of directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a federal employee's service on the board of directors of a non-federal entity where such service is in an official capacity as a federal employee.

Bonneville Power Administration (Bonneville), a Department of Energy (DOE) organization, is a power marketer serving customers in all or part of eight states. As the region's largest transmission provider and power marketer, Bonneville must be an active participant in forming regional energy policy in order to protect federal rate payers and to advance Bonneville's mission. The Pacific Northwest Electric Power Planning and Conservation Act requires Bonneville to assure the Pacific Northwest of an adequate, efficient, economical, and reliable power supply and expanded Bonneville's authority to acquire power resources, including renewable resources and conservation. More recently, the Energy Independence and Security Act of 2007 directs DOE and electric utilities, including Bonneville, to work toward smart grid implementation and modernization of the Nation's electricity transmission and distribution system. Essential to achieving this goal is an active system of consultation between the Secretary and electric utilities on electric utility research, investments in smart grid technologies, and requirements for electric utility integrated resource and energy efficiency plans. Consequently, the Smart Grid Policy Center (Policy Center) -- a non-profit organization established to provide critical analysis, educate stakeholders and provide background materials for decision makers -- was established. The Policy Center greatly enhances Bonneville's opportunities to leverage resources by providing an appropriate forum in which to communicate and coordinate with stakeholders and other public and private entities.

Bonneville created the position of Chief Technology Innovation Officer (CTIO) in 2005. The CTIO oversees a staff of specialists in the Technology Innovation Office working to implement Bonneville's Technology Confirmation/Innovation (TC/I) project portfolio in areas that may help the agency advance in its mission. The purpose of the Technology Innovation Office is to make Bonneville more effective and efficient through the application of new and emerging technologies and systems.

The Office ensures a direct connection between the agency's strategic objectives and its technology interests. The TC/I Program is agency-wide. It is responsible for guiding Bonneville's TC/I investments, setting Bonneville's (non-Fish & Wildlife) technology agenda, and coordinating and collaborating with national and international research contacts, such as the

Electric Power Research Institute, Tennessee Valley Authority, Hydro Quebec, DOE's National Laboratories, and various universities.

You have been asked to serve on the Smart Grid Policy Center Board of Trustees in your official capacity. You will receive no compensation for this service. The Policy Center is a non-profit 501(c)(3) corporation supported by DOE National Laboratories, state governments, the Electric Power Research Institute (EPRI), and private industry. The Policy Center has a six-member Board consisting of four representatives from the GridWise Alliance and a representative from Pacific Northwest National Laboratories. You would be the sixth member. Board service is for a two-year term, but there are no restrictions on serving additional consecutive terms.

The mission of the Policy Center is to raise awareness and education of stakeholders on transmission issues. The Policy Center will: conduct and foster research in the application of smart technologies to electric power grids; conduct energy policy research on reliability, efficiency, security, and climate change; conduct a comprehensive study on the best practices in regulatory models necessary for successful deployment of smart electric power grid technologies; and create avenues for dialogue and cooperation between the private and public sectors on issues relating to the deployment of smart electric power grid technologies. The Policy Center will not participate in any lobbying activities.

Bonneville's and the Policy Center's goals are closely aligned. As Bonneville's Chief Technology Innovation Officer, you should be knowledgeable of and actively involved in the development of policies affecting grid technologies. Bonneville owns and operates 75 percent of the high-voltage transmission lines in the Pacific Northwest, and you provide leadership and direction for research and development activities across all of Bonneville's grid-related interests and policies. Therefore, the work required to satisfy your responsibilities to the Policy Center are directly in line with your duties as Chief Technology Innovation Officer.

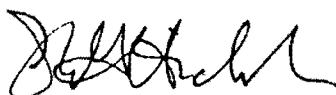
I consider your participation, as Bonneville's Chief Technology Innovation Officer, on the Policy Center's Board of Trustees, critical to ensuring that Bonneville is well aligned with the industry's direction on the future application of smart-grid-related technologies. Your duties on the Board will include reviewing and approving budget and policy, making program recommendations, providing strategic direction, and evaluating the performance of the Smart Grid Policy Center Director. Your position as Chief Technology Innovation Officer will not make funding decisions relating to the Smart Grid Policy Center. Those decisions will be made by Bonneville's Administrator, Stephen J. Wright, directly.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives, in advance, a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Board of Trustees of the Smart Grid Policy Center in your official capacity. A potential conflict exists under 18 U.S.C. § 208 because your service on the Board of Trustees in your official capacity is required in order to meet the objectives of

DOE programs and, as a Board member, you will have a fiduciary duty to the Policy Center. Accordingly, pursuant to 18 U.S.C. § 208(b)(1), I have determined that your imputed financial interest in the Smart Grid Policy Center, as a member of its Board of Trustees, is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you. Under the terms of this waiver, you must refrain from participating, in the course of your official duties, in any particular matter involving specific parties that will have a direct and predictable effect upon the financial interests of the Smart Grid Policy Center. Thus, for example, you may not participate in any decisions that DOE may make to provide funding or resources to the Smart Grid Policy Center. In addition, you may not represent the Smart Grid Policy Center before the Federal Government where there is an intent to influence the Government.

The Office of Government Ethics has been consulted with regards to this waiver, and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.



Steven G. Hickok  
Deputy Administrator

cc:

S. Wadel, Supervisory Attorney-Advisor – DOE  
Krysten M. Urchick, Attorney-Advisor – DOE



## Department of Energy

Bonneville Power Administration  
P.O. Box 3621  
Portland, Oregon 97208-3621

EXECUTIVE OFFICE

In reply refer to: T-DITT2

MEMORANDUM FOR Hardev S. Juj  
Manager, System Operations  
Transmission Services  
BONNEVILLE POWER ADMINISTRATION

FROM: Vickie VanZandt  
Senior VICE PRESIDENT  
Transmission Services  
BONNEVILLE POWER ADMINISTRATION

SUBJECT: Conflict of Interest Waiver - Northwest Power Pool

Pursuant to 18 USC § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve on the board of directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-federal entity where such service is in an official capacity as a Department employee.

The Pacific Northwest Electric Power Planning and Conservation Act requires the Bonneville Power Administration (BPA) to assure the Pacific Northwest of an adequate, efficient, economical, and reliable power supply. You have been asked to serve, in your official capacity, on the board of directors for the Northwest Power Pool (NWPP). This is not a position for which you will be compensated.

The NWPP is a non-profit corporation serving as a forum in the electrical industry for reliability and operational adequacy issues in the Pacific Northwest. One of the functions of the NWPP is to provide facilitation services and expertise to implement the Pacific Northwest Coordination Agreement (PNCA). NWPP promotes cooperation among its members to achieve reliable operation of the electrical power system, coordinate power system planning, and assist in transmission planning in the Pacific Northwest. The NWPP is responsible for conducting several studies necessary to create an annual plan for operating the Pacific Northwest's coordinated hydro system and for facilitating the planning process. In the Pacific Northwest, the NWPP also:

fosters the communication and exchange of information concerning operating conditions; provides for the timely collection, coordination and dissemination of system operating data; works with major transmission owners to help them to comply with the NERC Standards; facilitates agreed upon Transmission Adequacy Standards; and sets operating reliability criteria that members agree to make all reasonable efforts to meet.

BPA is one of four power-marketing entities that operate under the Department of Energy. BPA's service area covers three states and portions of five other states. In the Pacific Northwest, the BPA markets 45% of the electrical power and operates over 75% of the high voltage transmission lines. As the region's largest power marketer and transmission provider, BPA must be an active participant in forming regional energy policy to protect Federal rate payers and to advance the stated purposes of the Pacific Northwest Power Act.

NWPP is serviced by three major committees: the Operating Committee, Transmission Planning Committee, and the Pacific Northwest Coordination Agreement (Coordinating Committee). Under NWPP by-laws, each major committee has the ability to appoint a Federal entity representative to its Board. Since the mid-1990's, you have been involved in regional planning and other efforts to form Regional Transmission Organizations such as the Northwest Regional Transmission Association, GridWest, RTO West, and Transmission Issues Group. This expertise gives you the ability to provide direction and guidelines for the transmission planning and operating committees. You have helped shape renewable resource integration allowing you to provide insight on setting guidelines and standards for the safe and reliable operation of the grid. In addition, you are extremely knowledgeable on the Western interconnections of the power system, transmission planning, grid operation, Canadian Entitlement, and mandatory reliability standards. The operational challenges being addressed by NWPP are critical for the operational efficiency of the transmission system. Your experience and system knowledge brings unique expertise to the administration of the Board. I have determined that your participation on the board as a second board member from BPA is consistent with the NWPP by-laws and permits BPA to provide significant technical expertise not otherwise available on the board.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the service which the Government may expect from such employee or officer.

I have determined that you may serve on the Board of Directors of NWPP in your official capacity. A potential conflict exists under 18 U.S.C. § 208 because your service on the Board of Directors in your official capacity is required in order to meet the objectives of

DOE programs and, as a board member, you have a fiduciary duty to NWPP. Accordingly, pursuant to 18 U.S.C. 208(b)(1), I have determined that your imputed financial interest in NWPP, as a member of its governing board, is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you because the interests of the Government and the organization are parallel. Under the terms of this waiver, you must refrain from participating in Departmental business, other than your duties as a member of the NWPP Board, that will have a direct and predictable effect upon the financial interests of NWPP. Thus, for example, you may not participate in any discussions about or decisions that the Department may make to provide funding or other resources to NWPP. In addition, you may not represent NWPP before the Federal Government where there is an intent to influence the Government nor make investment decisions on behalf of NWPP.

The Office of Government Ethics has been consulted with regards to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303



Vickie VanZandt  
Senior Vice President  
Transmission Services

8/27/08  
Date

FEB 4 2008

## MEMORANDUM FOR KENNETH E. LEGG

ASSISTANT ADMINISTRATOR, POWER RESOURCES  
SOUTHEASTERN POWER ADMINISTRATION

## FROM:

LEON JOUROLMON, JR.  
ACTING ADMINISTRATOR  
SOUTHEASTERN POWER ADMINISTRATION

## SUBJECT:

Conflict-of-Interest Waiver

Section 208(a), Title 18 of the United States Code, prohibits you from participating personally and substantially, as a Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve as a director. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to service on a board of directors when such service is in an official capacity as a Department employee. Many of these matters affect the organization's financial interests which, as noted above, are attributable to the employee. Thus, an employee cannot serve as a member of a Board of Directors in his official capacity unless he is required to be on the board by statute or he has been granted a waiver pursuant to 18 U.S.C. § 208(b)(1).

You have advised me that you are on the Executive Board of the Florida Reliability Coordinating Council (FRCC) and the Board of Directors of the Southeastern Electric Reliability Corporation (SERC) in your official capacity.<sup>1</sup>

Florida Reliability Coordinating Council (FRCC)

The FRCC is a member of the North American Electric Reliability Corporation (NERC) which has been certified as the Electric Reliability Organization (ERO) in the United States. FRCC is a nonprofit corporation responsible for promoting and improving the reliability, adequacy, and critical infrastructure of the bulk power supply systems in Peninsula Florida. It has delegated authority from NERC as a Regional Reliability Organization for the purpose of proposing and enforcing reliability standards in its particular region. It is one of eight regional entities with such authority from NERC and works to safeguard the reliability of the bulk power systems throughout North America.

According to FRCC's bylaws, the Executive Board consists of the principal officer or other authorized representative of each member. The FRCC board meets at least once a year. The board sets such policies and standards, and the membership, including the Southeastern Power Administration, must comply with them. The board also manages

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<sup>1</sup>As part of your duties as a SERC board member, you will also serve on the Executive Committee of the Virginia-Carolinas Reliability Group, a sub-region of SERC.



the business affairs of FRCC, including establishing criteria for membership and formulation of an annual budget.

Southeastern Electric Reliability Corporation (SERC)

The SERC is a member of the North American Electric Reliability Corporation (NERC) which has been certified as the Electric Reliability Organization (ERO) in the United States. SERC is a nonprofit corporation responsible for promoting and improving the reliability, adequacy, and critical infrastructure of the bulk power supply systems in all or portions of 16 central and southeastern states. It has delegated authority from NERC as a Regional Reliability Organization for the purpose of proposing and enforcing reliability standards in its particular region. It is one of eight regional entities with such authority from NERC and works to safeguard the reliability of the bulk power systems throughout North America.

According to SERC's bylaws, the Board of Directors consists of the principal officer or other authorized representative of each member. The SERC board meets at least twice a year. The board sets such policies and standards, and the membership, including the Southeastern Power Administration, must comply with them. The board also manages the business affairs of the SERC, including establishing criteria for membership and formulation of an annual budget.

Southeastern Power Administration (SEPA) is one of four power marketing entities that operate under the DOE. Southeastern is responsible for marketing electric power and energy generated at reservoirs operated by the United States Army Corps of Engineers. This power is marketed to more than 495 preference customers in the states of Georgia, Florida, Alabama, Mississippi, southern Illinois, West Virginia, Virginia, Tennessee, Kentucky, North Carolina, and South Carolina. As a power marketer, Southeastern Power Administration must be an active participant in forming national and regional energy policy to protect Federal rate payers.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Executive Board of the FRCC and the Board of Directors of the SERC in your official capacity. Accordingly, pursuant to 18 USC 208(b)(1), I have determined that the financial interests are not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you because the interests of the SEPA, FRCC, and SERC are parallel. Under the terms of this waiver, you must not participate personally and substantially in a particular matter at the Department (other than those activities undertaken in your position as a board member) that will have a direct and predictable effect upon the financial interests

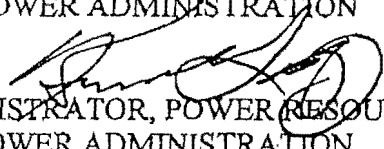
of FRCC and SERC. Thus, for example, you may not participate in any decisions the Department may make to provide funding or resources to these entities. In addition, you may not represent these entities before the Federal Government where there is an intent to influence the Government.

The Office of Government Ethics has been consulted in this waiver, and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.

cc: Susan F. Beard  
Christina Hymer  
Lee Rampey

FEB 4 2008

MEMORANDUM FOR HERBERT R. NADLER  
HYDRAULIC ENGINEER  
SOUTHEASTERN POWER ADMINISTRATION

FROM: KENNETH LEGG   
ASSISTANT ADMINISTRATOR, POWER RESOURCES  
SOUTHEASTERN POWER ADMINISTRATION

SUBJECT: Conflict-of-Interest Waiver

Section 208(a), Title 18 of the United States Code, prohibits you from participating personally and substantially, as a Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve as a director. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to service on a board of directors when such service is in an official capacity as a Department employee. Many of these matters affect the organization's financial interests which, as noted above, are attributable to the employee. Thus, an employee cannot serve as a member of a Board of Directors in his official capacity unless he is required to be on the board by statute or he has been granted a waiver pursuant to 18 U.S.C. § 208(b)(1).

You have advised me that you are an Alternate Member of the Board of Directors of the Southeastern Electric Reliability Corporation (SERC) in your official capacity serving with Kenneth E. Legg, who is designated as Member for Southeastern Power Administration.<sup>1</sup>

Southeastern Electric Reliability Corporation (SERC)

The SERC is a member of the North American Electric Reliability Corporation (NERC) which has been certified as the Electric Reliability Organization (ERO) in the United States. SERC is a nonprofit corporation responsible for promoting and improving the reliability, adequacy, and critical infrastructure of the bulk power supply systems in all or portions of 16 central and southeastern states. It has delegated authority from NERC as a Regional Reliability Organization for the purpose of proposing and enforcing reliability standards in its particular region. It is one of eight regional entities with such authority from NERC and works to safeguard the reliability of the bulk power systems throughout North America.

According to SERC's bylaws, the Board of Directors consists of the principal officer or other authorized representative of each member. The SERC Board meets at least twice a

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<sup>1</sup>As part of your duties as a SERC board member, you will also serve on the Executive Committee of the Virginia-Carolinas Reliability Group, a sub-region of SERC.

year. The board sets such policies and standards, and the membership, including the Southeastern Power Administration, must comply with them. The board also manages the business affairs of the SERC, including establishing criteria for membership and formulation of an annual budget.

Southeastern Power Administration (SEPA) is one of four power marketing entities that operate under the DOE. Southeastern is responsible for marketing electric power and energy generated at reservoirs operated by the United States Army Corps of Engineers. This power is marketed to more than 495 preference customers in the states of Georgia, Florida, Alabama, Mississippi, southern Illinois, West Virginia, Virginia, Tennessee, Kentucky, North Carolina, and South Carolina. As a power marketer, Southeastern Power Administration must be an active participant in forming national and regional energy policy to protect Federal rate payers.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve as the Alternate Member for Southeastern Power Administration on the Board of Directors of the SERC in your official capacity. Accordingly, pursuant to 18 USC 208(b)(1), I have determined that the financial interests are not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you because the interests of the SEPA and SERC are parallel. Under the terms of this waiver, you must not participate personally and substantially in a particular matter at the Department (other than those activities undertaken in your position as a board member) that will have a direct and predictable effect upon the financial interests of SERC. Thus, for example, you may not participate in any decisions the Department may make to provide funding or resources to these entities. In addition, you may not represent these entities before the Federal Government where there is an intent to influence the Government.

The Office of Government Ethics has been consulted in this waiver, and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.

cc: Susan F. Beard  
Christina Hymer  
Lee Rampey

**Department of Energy**

Official File

Bonneville Power Administration  
P.O. Box 3621  
Portland, Oregon 97208-3621

TRANSMISSION BUSINESS LINE

Date, June 6, 2006

In reply refer to: TLO/Whse-East

TO: Ardis T. Ashton, Jr, Transportation Policy Manager  
Bonneville Power Administration

FROM: James T. Mattix, Jr,  
Operations Manager, Supply Chain Operations

SUBJECT: Conflict-of-Interest Waiver

Pursuant to 18 U.S.C. § 208(a), you are prohibited from participating personally and substantially, as a Federal government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve as a director. The Office of Legal Counsel, Department of Justice, has concluded that when an employee serves on the Board of Directors of an outside organization in his or her official capacity, every action taken as a board member constitutes an official government action. Many of these matters affect the organization's financial interests which, as noted above, are attributable to the employee. Thus, an employee cannot serve as a member of a Board of Directors in his official capacity unless he is required to be on the board by statute or he has been granted a waiver pursuant to 18 U.S.C. § 208(b)(1).

You have been asked to serve as a voting member of the Board of Directors of the Helicopter Association International (HAI) in your official capacity. The HAI's Board of Directors has nine (9) voting members and 5 non-voting members serving in advisory roles. HAI by-laws require board members to be elected from each of the three sub-classifications of regular members. You would fill the one position allotted to the Regular Member-Government sub-classification. You will receive no compensation from HAI for this service. The board meets three times a year and board members serve three year terms.

HAI is the helicopter industry's dominant professional organization with over 1450 member organizations in more than 68 nations. Its mission is to establish technical and business standards that assure aviation services are conducted in a cost effective, efficient, and safe manner. HAI carries out its mission by developing and distributing recommended safe operating procedures on various helicopter operations. HAI's dominance in the industry gives its recommendations, and criticisms, considerable weight with FAA and other regulatory and compliance entities. This is

significant to our helicopter program because historically HAI and the commercial helicopter industry were hostile to federal aviation programs.

The Bonneville Power Administration (BPA) is one of four power marketing entities that operate under the Department of Energy. BPA is the region's largest power marketer and transmission provider. BPA's service area covers three states and portions of five other states in the Pacific Northwest. BPA markets 45% of the power and operates 75%, approximately 1,600 miles, of the high voltage transmission lines in the Pacific Northwest. BPA's Transmission Business Line (TBL) owns 4 helicopters, and is in the process of purchasing another, to support the BPA's vast transmission system. The Department of Energy owns and operates 8 other helicopters.

Helicopters are an essential part of the TBL. Helicopters are routinely used as a part of BPA's maintenance program. The TBL uses helicopters to regularly patrol the transmission power line system. Aerial patrols of the transmission system are critical to line maintenance because we are able to quickly identify potential problems and avoid costly outages. In emergency situations, the TBL can quickly locate damaged lines and identify the materials and tools needed to effectuate repairs. The helicopter program is also critical to our construction program. Helicopters are used in the stringing of transmission lines and building transmission towers. In both maintenance and construction, helicopters provide access to remote and unimproved locations. The TBL's use of helicopters results in a large savings on man hours. The TBL could not properly maintain or continue to construct our transmission system, at current cost, without the use of helicopters.

In the past, HAI and the private helicopter industry accused federal government aviation programs of poor safety records, excessive cost, and lost business opportunities for the commercial sector. These accusations caused Congress to question the utility of federal aviation programs in general and specifically BPA's program. Your involvement in HAI serves to clarify misinformation for HAI and Congress about federal aviation programs and prove that federal programs have a safety record better than the commercial industry and operate cost efficiently. A position on HAI's Board provides you with the opportunity to correct misinformation and maintain a professional relationship between HAI, the commercial helicopter industry, and federal aviation programs.

Your position as Transportation Policy Manager was established to represent BPA to external governmental and private organizations on all aviation matters. You work primarily with DOE, GSA, other federal agencies that operate aircraft and aviation affiliated trade organizations that promote safe and efficient aviation operations. Your service on HAI's Board of Directors is an appropriate fit for your position. You will represent BPA/DOE on the board. The Department of Energy's Office of Aviation

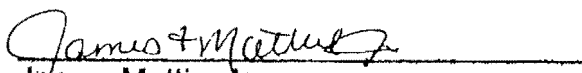
Management recognizes your service on HAI's Board of Directors will also benefit the DOE and supports your involvement on this board.

Your service on the Board of Directors will not interfere with your ability to fully perform your duties; your position requires you to keep informed of industry trends and correct misconceptions regarding federal aviation programs. Your participation on the board will provide you with an excellent opportunity to further these goals. As the Regular Member-Government representative, your duties on the board will be to represent BPA and DOE and ensure HAI considers these concerns. It is important to BPA, and DOE, to maintain a positive relationship with HAI and commercial operators. Your position on HAI's Board of Directors promotes a positive relationship.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Board of Directors of the Helicopter Association International in your official capacity. A potential conflict exists under 18 U.S.C. § 208, because HAI's financial interests are imputed to you as a member of the Board of Directors and because you will serve on the board in your official capacity, any action you take as a board member will constitute participation in a government matter. However, pursuant to 18 U.S.C. 208(b)(1), I have determined that your imputed financial interest in HAI, as a member of its Board of Directors, is not so substantial as to be deemed likely to affect the integrity of the services which the Government expects from you. Under the terms of this waiver, you must refrain from participating in other Departmental business that will have a direct and predictable effect upon the financial interests of HAI. Thus, for example, you may not participate in any decisions that the Department makes to provide funding or resources to HAI. In addition, you may not represent HAI before the Federal Government where there is an intent to influence the Government.

The Office of Government Ethics has been consulted with regard to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.

  
James Mattix, Jr.,

Operations Manager, Supply Chain Operations

cc: Sue Wadel, DOE, GC-77  
Donna Oden-Orr, LC-7  
Mary Wooldridge, LC-7





**Department of Energy**

Bonneville Power Administration  
P.O. Box 3621  
Portland, Oregon 97208-3621

ENERGY EFFICIENCY

May 10, 2006

In reply refer to: PN-1

TO: KAREN MEADOWS  
ENERGY EFFICIENCY PLANNING AND EVALUATION MANAGER  
BONNEVILLE POWER ADMINISTRATION

FROM: MICHAEL J. WEEDALL  
VICE PRESIDENT, ENERGY EFFICIENCY

SUBJECT: Conflict-of-Interest Waiver – Consortium for Energy Efficiency

Pursuant to 18 USC § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve on the board of directors. The Office of Legal Counsel, Department of Justice, has concluded that when an employee serves on the Board of Directors of an outside organization in his or her official capacity, every action taken as a board member constitutes an official government action. Many of these matters affect the organization's financial interests which, as noted above, are attributable to the employee. Thus, an employee cannot serve as a member of a Board of Directors in his official capacity unless he is required to be on the board by statute or he has been granted a waiver pursuant to 18 U.S.C. § 208(b)(1).

You have been asked to serve on the Consortium for Energy Efficiency's (CEE) Board of Directors in your official capacity. You will receive no compensation from CEE for this service. Founded in 1991, the CEE is a non-profit, public benefit corporation that actively promotes the use of energy-efficient products and services because saving energy results in lower utility bills, less pollution and a healthier environment. The CEE membership roster (currently 75) includes electric, gas and water utilities; research and development organizations; state energy offices; public interest groups; and regional energy programs. Both the U.S. Environmental Protection Agency (EPA) and the Department of Energy (DOE) provide major support. In 2006, it is anticipated that the DOE Energy Star Program will increase their 2005 grant of \$50,000 to \$100,000. CEE encourages utilities and other partners to pool their market influence by voluntarily adopting common programs and efficiency specifications. The goal is a permanent increase in the supply and usage of energy efficient products and services. These entities work together to make affordable, energy-efficient products and services available in the marketplace with the goal of accelerating the adoption of energy-saving products and services in the existing marketplace.

The CEE has an 18-member Board consisting of representatives from the consumer-and investor-owned utilities, state government, and public interest and efficiency industry organizations. Two special advisors from DOE and EPA serve in an ex officio capacity on the board. You will not serve as an ex officio member as this position is occupied by a Headquarters employee. Directors serve a three year term. I propose that you serve a full three-year term with the option to extend for an additional three-year term.

BPA is one of four power marketing entities that operate under the DOE. BPA's service area covers three states and portions of five other states in the Pacific Northwest. BPA operates 75% of the high voltage transmission assets in the Pacific Northwest and markets 45% of the region's power. As the region's largest power marketer and transmission provider, BPA must be an active participant in forming national and regional energy policy to protect Federal rate payers and to advance the stated purposes of the Pacific Northwest Electric Power Planning and Conservation Act (NW Power Act).

The NW Power Act requires the BPA to assure the Pacific Northwest of an adequate, efficient, economical, and reliable power supply. The NW Power Act directs BPA, when the Administrator is acquiring resources to service BPA's contractual load obligations, to acquire resources by giving first priority to conservation. This means that BPA has to be operating an active conservation program before it can acquire any other type of resource to meet its load requirements. Under the NW Power Act, the Northwest Power and Conservation Council (Council) is directed to develop Regional Power Plans guiding how the four states of the Pacific Northwest will meet the electricity needs of this region. One of the most important elements of that plan is the specific target for conservation in the region. Conservation is specified as the first resource of preference under the NW Power Act. Further, the NW Power Act requires the Council to measure and report to Congress progress on accomplishing conservation and the other elements in the Regional Power Plan.

The most recent power plan, the Fifth Northwest Power and Conservation Plan, identifies the need for BPA to secure 52 average megawatts annually through 2009 and increasing to 61 aMW/year for the following 5 years. The energy savings achieved by CEE efforts will contribute significantly towards BPA's conservation goal. For example, BPA has worked with CEE to establish more stringent standards for compact fluorescent lights (CFL) that have resulted in substantial savings to BPA (100 aMW over the next 10 years). In addition, we collaborated with CEE to create higher energy efficiency standards for washing machines and dish washers that will result in 20 aMW savings to BPA over the next 10 years. Further, because of CEE's focus on national market transformation strategies, those energy savings are delivered to BPA at the lowest cost of any alternative energy savings BPA can achieve in this region. Thus, it is critical to BPA's conservation success to have influence on CEE policies and strategies to make sure we leverage PNW conservation expertise and market power to produce energy efficient products and services at the national level.

Because of your position as BPA's Energy Efficiency Planning and Evaluation Manager, I consider your participation on the CEE Board of Directors as critical to ensuring that BPA's conservation targets are met. Through full participation on the CEE Board of Directors you will have access to a broad cross section of North America's premier energy efficiency experts. This will facilitate BPA's understanding of cutting edge energy conservation measures and issues that will contribute to BPA designing better reimbursement programs for BPA's 130 customers that run our energy efficiency programs. It will help ensure that BPA's \$80 million/year energy efficiency acquisition program is leveraged to achieve the best value at the lowest cost for our rate payers. Your duties on the CEE Board will include reviewing and approving budget and policy, making program recommendations, providing strategic direction, and evaluating the performance of the CEE Director. Your position as BPA's Planning and Evaluation Manager does not make funding decisions relating to CEE. Those decisions are made directly by me, Michael Weedall, BPA's Vice President for Energy Efficiency.

As BPA's Energy Efficiency Planning and Evaluation Manager, you provide leadership and direction for conservation, load management, and research and development activities with emerging energy efficiency technologies. As such, the work required to satisfy your responsibilities to CEE are directly in line with your duties as the Energy Efficiency Planning and Evaluation Manager because BPA's and CEE's goals are closely aligned.


With BPA's budget limitations, it is critical that BPA leverage the resources of other entities throughout the region and North America in order to achieve our goals. Full participation on the CEE Board will allow BPA to influence the technology areas and markets in which CEE's efforts are focused. Because CEE is a collaborative effort with members from across the U.S. and Canada, BPA must have a vote if BPA wants to insure our dues to CEE result in conservation in the PNW (through codes changes, for example) or increase BPA's ability to achieve conservation in the PNW (through CEE's work encouraging manufacturers to develop more efficient equipment, such as refrigerators that are 30% more efficient than was previously available on the market). Also, full participation in CEE's Board will allow BPA to encourage CEE efforts that are compatible with BPA's new Energy Efficiency Technology Roadmap.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Board of Directors of CEE in your official capacity. A potential conflict exists under 18 U.S.C. § 208 because your service on the Board of Directors in your official capacity is required in order to meet the objectives of DOE programs and, as a board member, you have a fiduciary duty. Accordingly, pursuant to 18 U.S.C. 208(b)(1), I have determined that your imputed financial interest in CEE, as a member of its Board of Directors, is

not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you because the interests of the BPA and CEE are parallel. Under the terms of this waiver, you must refrain from participating in other Departmental business that will have a direct and predictable effect upon the financial interests of CEE. Thus, for example, you may not participate in any decisions that the Department may make to provide funding or resources to CEE. In addition, you may not represent CEE before the Federal Government where there is an intent to influence the Government or participate in any fundraising activity on behalf of CEE.

The Office of Government Ethics has been consulted with regards to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303

  
Michael J. Weedall,  
Vice President, Energy Efficiency

5/10/06  
Date

cc:

Sue Wadel, DOE/OGC, GC-77  
Donna Oden-Orr, LC-7  
Mary Wooldridge, LC-7  
Paul Norman - P

## **Department of Energy**

Bonneville Power Administration  
P.O. Box 3621  
Portland, Oregon 97208-3621

TRANSMISSION BUSINESS LINE

September 21, 2005

In reply refer to: TO-Ditt2

MEMORANDUM FOR DONALD S. WATKINS  
ELECTRICAL ENGINEER  
BONNEVILLE POWER ADMINISTRATION

FROM: BRIAN SILVERSTEIN  
VICE PRESIDENT, OPERATIONS AND PLANNING

SUBJECT: CONFLICT OF INTEREST WAIVER - PNSC

Section 208(a), title 18, United States Code, prohibits you from participating personally and substantially, as a Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve on the board of directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-federal entity where such service is in an official capacity as a Department employee.

The Pacific Northwest Security Coordinator (PNSC) is a Washington State, non-profit corporation whose purpose is to provide security coordination services to Pacific Northwest Control Area Operators. The security coordination services generally consist of monitoring, analysis, communications, advice, and when necessary, directives for helping to preserve the reliability of transmission service between and within interconnected electrical systems of the Pacific Northwest. PNSC evaluates system conditions from a technical standpoint and determines what actions should be taken on that basis. PNSC's relationship with the NW control areas is dictated by a signed Security Coordination Agreements (SCA). It has no members. SCA signatories are the control areas located throughout Idaho, Montana, Oregon, Washington, portions of northern California, northern Nevada, Utah, Wyoming, and the Canadian provinces of British Columbia and Alberta. These states comprise the Northwest Power Pool sub-region of the Western Electric Coordinating Council. PNSC is not a transmission provider, generation owner or operator, or an electric power market participant.

The PNSC board of directors currently has approximately 11 members meeting about three times a year. The Board of Directors is responsible for PNSC's overall governance. At its meetings, the board discusses a variety of issues including annual

budget, evaluations of programs and setting the agenda for the upcoming year's programs. The board also reviews all actions taken or not taken by the security coordinators in connection with significant electrical events affecting the region.

In your official capacity, you were previously selected to serve as a member of the Board of Directors of the Pacific Northwest Security Coordinator (PNSC). Previously, you were issued a 208(b)(1) waiver on December 13, 2003 to participate as a member of the PNSC's Board of Directors in your official capacity. This waiver remains in effect. You were recently elected to be the Chair of PNSC's Board of Directors. You do not receive any compensation for acting in this position. As Chair of the board you have no additional power or authority beyond other board members other than facilitating board activities. Your position as Chair is for one year. Your tenure may be extended for an additional year if the duties of the Chair are not altered and there are no changes in the structure or mission of PNSC.

Bonneville Power Administration (BPA) is one of four power marketing entities that operate under the Department of Energy. BPA's service area covers three states and portions of five other states. BPA markets wholesale electrical power and operates and markets transmission services in these states. In your current position you are senior policy advisor for the development of standards, guides, and agreements for interconnected operations within the Western Interconnection and support development of control center and business systems automation. Your service on the board of directors for the PNSC will not interfere with your ability to fully perform your duties.


BPA is a signatory of the PNSC SCA. As a signatory BPA can designate a representative to the board of directors. Also as a signatory, BPA's delegate to the board of directors has one vote on all matters submitted to the Board. Board members are appointed on the basis of their expertise concerning transmission operations.

BPA views your participation on the PNSC's Board of Directors as critical. The participation on the board of someone with your expertise in transmission operations will assist BPA in insuring that transmission systems within the PNSC's jurisdiction are reliable. Because BPA operates the largest transmission system in the Pacific Northwest, it is vital that you actively represent BPA's interests in reliability standards and operations to meet the needs of the Pacific Northwest.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve as Chair of PNSC's Board of Directors in your official capacity. A potential conflict exists under 18 U.S.C. § 208 because your service on the Board of Directors in your official capacity is required in order to meet the objectives of DOE programs and, as a board member, you have a fiduciary duty. Accordingly, pursuant to 18 U.S.C. § 208(b)(1), I have determined that your imputed financial interest in PNSC is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you because the interests of the government and the organization are parallel. Under the terms of this waiver, you must refrain from participating in other Departmental business that will have a direct and predictable effect upon the financial interests of PNSC (aside from those activities undertaken as a member of the PNSC board). Thus, for example, you may not participate in any decisions that the Department may make to provide funding or resources to PNSC. In addition, you may not represent PNSC before the Federal Government where there is an intent to influence the Government.

The Office of Government Ethics has been consulted with regards to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303

  
\_\_\_\_\_  
Brian Silverstein,  
Vice President, Operations and Planning

\_\_\_\_\_  
9/21/05  
Date

cc:

Sue Wadel, DOE/OGC, GC-77

Mary Wooldridge, LC-7

United States Government

Department of Energy  
Bonneville Power Administration

# memorandum

DATE: August 26, 2005

REPLY TO  
ATTN OF: K-7

SUBJECT: Conflict-of-Interest Waiver

TO: Syd Berwager  
Acting Vice-President, Industry Restructuring - R

Pursuant to 18 U.S.C. § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests are deemed to include those of an organization for whom you serve on the board of directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-federal entity where such service is performed in the employee's official capacity.

You were asked to serve, in your official capacity, as Bonneville Power Administration's (BPA) representative on the Interim Board of Directors of Grid West, a Washington State nonprofit corporation. The Federal Energy Regulatory Commission (FERC), by Order No. 2000 (RM99-2-000), encouraged transmission providers, such as BPA, to participate in the formation of independent regional transmission organizations (RTOs). FERC's goal in establishing RTOs is to promote efficiency in wholesale electricity markets and ensure that electricity consumers pay the lowest price possible for reliable service. The first requirement of Order No. 2000 is that the RTO must be independent. Three conditions must be met in order to achieve independence: (1) RTO employees and directors cannot hold any financial interest in any market participants; (2) the RTO must have decision-making authority that is independent of control by any market participant; and (3) the RTO must have exclusive and independent authority to file changes to its transmission tariff with FERC.

BPA is one of nine transmission owners that formed RTO West to develop a functioning regional transmission organization. RTO West has recently been restructured into Grid West because an agreement on a regional transmission organization could not be reached under the RTO West structure.

Grid West is a Washington State nonprofit membership corporation. Under its Developmental Bylaws, Grid West's purpose is to develop a proposal for an operational, independent transmission organization for the Pacific Northwest and its surrounding states and provinces. Currently, Grid West consists of an Interim Board of Trustees. The Grid West Interim Board is a temporary board whose primary responsibilities are to administer the transition from a non-membership corporation (RTO West) to a member corporation (Grid West) to be governed by an independent Board of Trustees selected by the future members of Grid West. The Interim Board will manage the disbursement of a nominal operating fund, manage an existing service contract, and monitor progress toward the election of an independent board.



You will not receive compensation as a board member. Your term will start October 1, 2005 and extends until either an independent board is elected during 2005 or the corporation (or its restructured successor) is dissolved.

In general, BPA is one of four power marketing entities that operate under the Department of Energy. BPA's service area covers three states and portions of five other states. BPA markets wholesale electrical power in these states and also operates a transmission system which comprises more than half of the combined Federal and non-Federal transmission assets in that area. As the Acting Vice-President for Industry Restructuring, you are responsible for BPA's participation in and monitoring of electric industry restructuring efforts on a regional and national basis. A major component of your responsibility is to guide BPA's participation in regional efforts to improve coordination of the multiple transmission systems that comprise the interconnected grid in the Pacific Northwest and surrounding areas and thereby improve the efficiency of wholesale power markets. On May 16, 2000, the Department of Energy Deputy Secretary directed federal power marketing entities to fully participate in RTO development efforts and to join an RTO, if possible. In addition, the Department recommended in its National Transmission Grid Study (May 2002) that Federal power marketing administrations, such as BPA, participate in the formation of regional transmission organizations.

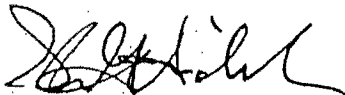
DOE views your participation on Grid West's Interim Board as critical for the protection of BPA's interests because Grid West offers significant potential for improved management, operation, and planning of the interconnected grid. It also views your participation as BPA's representative on the Interim Board as advantageous because of your knowledge of BPA's overall transmission strategy, national restructuring efforts, and of the regional process that preceded the decision to form Grid West.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives, in advance, a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Grid West Interim Board in your official capacity. A potential conflict exists under 18 U.S.C. § 208 solely because your service on the Board of Directors in your official capacity is required to meet the objectives of DOE programs and, as a member, you have fiduciary duties to Grid West. Accordingly, pursuant to 18 U.S.C. § 208(b)(1), I have determined that your imputed financial interest in Grid West as a member of its Interim Board is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you. In these particular circumstances, and solely for the duration of your appointment to the Interim Board, the interests of DOE, BPA, and Grid West are parallel and not adversarial. Under the terms of this waiver, however, you may not represent Grid West to DOE or BPA with regard to any decisions that DOE or BPA may make to provide funding or other resources to Grid West. In your official role on behalf of DOE

or BPA, you may present factual information to DOE or BPA decision-makers concerning the basis for or estimated costs of the activities at issue; however, you may not advocate for or against a particular DOE or BPA decision, make the decision, or otherwise have a vote or equivalent say in that DOE or BPA decision. Except as just provided, you may communicate to and appear before the Federal Government in your official capacity as a BPA employee on all matters necessary or appropriate to fulfill your BPA responsibilities, as discussed above in this memorandum, but you may not communicate to or appear before the Federal Government as a representative of Grid West.

The Office of Government Ethics has been consulted with regards to this waiver, and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.



Steven G. Hickok  
Deputy Administrator

cc:

Susan Beard, DOE-OGC/GC-77

Adm. Chron. File - A

BPA-KN(2)

M. Wooldridge - LC-7

Official File - L-7

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**Department of Energy**

Bonneville Power Administration  
P.O. Box 3621  
Portland, Oregon 97208-3621

EXECUTIVE OFFICE

In reply refer to:

MEMORANDUM FOR ERIC V. KING  
PUBLIC UTILITIES SPECIALIST  
INDUSTRIAL RESTRUCTURING

BONNEVILLE POWER ADMINISTRATION

FROM: SYD BERWAGER  
ACTING VICE PRESIDENT  
INDUSTRIAL RESTRUCTURING  
BONNEVILLE POWER ADMINISTRATION

SUBJECT: Conflict of Interest Waiver - Northwest Power Pool

Pursuant to 18 USC § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve on the board of directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-federal entity where such service is in an official capacity as a Department employee.

The Pacific Northwest Electric Power Planning and Conservation Act requires the Bonneville Power Administration (BPA) to assure the Pacific Northwest of an adequate, efficient, economical, and reliable power supply. You have been asked to serve, in your official capacity, on the board of directors for the Northwest Power Pool (NWPP). This is not a position for which you will be compensated.

The NWPP is a non-profit corporation serving as a forum in the electrical industry for reliability and operational adequacy issues in the Pacific Northwest. One of the functions of the NWPP is to provide facilitation services and expertise to implement the Pacific Northwest Coordination Agreement (PNCA). NWPP promotes cooperation among its members to achieve reliable operation of the electrical power system, coordinate power system planning, and assist in transmission planning in the Pacific Northwest. The NWPP is responsible for conducting several studies necessary to create an annual plan for operating the Pacific Northwest's coordinated hydro system

and for facilitating the planning process. In the Pacific Northwest, the NWPP also: fosters the communication and exchange of information concerning operating conditions; provides for the timely collection, coordination and dissemination of system operating data; and sets operating reliability criteria that members agree to make all reasonable efforts to meet.

BPA is one of four power-marketing entities that operate under the Department of Energy. BPA's service area covers three states and portions of five other states. In the Pacific Northwest, the BPA markets 45% of the electrical power and operates 75% of the high voltage transmission lines. As the region's largest power marketer and transmission provider, BPA must be an active participant in forming regional energy policy to protect Federal rate payers and to advance the stated purposes of the Pacific Northwest Power Act.

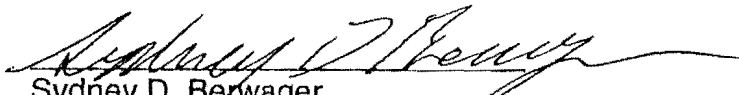
The Coordination Contract Committee, a standing committee within the NWPP, was created under the PNCA. The PNCA is a complex agreement for cooperative operation of the Columbia River Basin's hydro system. It took over eight years to draft the current agreement. BPA is a signatory to the PNCA. Under the PNCA, the Administrator is required to appoint a representative to this committee to act for BPA in matters pertaining to the Agreement. As part of your responsibilities as an Electrical Engineer you spent many years as BPA's designated PNCA Representative and previously, BPA's Alternate PNCA Representative to the Coordination Contract Committee. Your new position on the Coordination Contract Committee also requires you to serve on the NWPP's Board of Directors. In addition to your service as the PNCA Representative to the Coordination Contract Committee, you participated in the eight years of negotiating and drafting of the Agreement, and therefore bring unique expertise to its administration. Due to this expertise, BPA has opted to retain you as one of its NWPP Board members, even after your move to the position of a Utility Specialist in the Industry Restructuring Group.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the service which the Government may expect from such employee or officer.

I have determined that you may serve on the Board of Directors of NWPP in your official capacity. A potential conflict exists under 18 U.S.C. § 208 because your service on the Board of Directors in your official capacity is required in order to meet the objectives of DOE programs and, as a board member, you have a fiduciary duty. Accordingly, pursuant to 18 U.S.C. 208(b)(1), I have determined that your imputed financial interest in NWPP, as a member of its governing board, is not so substantial as to be deemed

likely to affect the integrity of the services which the Government may expect from you because the interests of the Government and the organization are parallel. Under the terms of this waiver, you must refrain from participating in other Departmental business that will have a direct and predictable effect upon the financial interests of NWPP. Thus, for example, you may not participate in any decisions that the Department may make to provide funding or resources to NWPP. In addition, you may not represent NWPP before the Federal Government where there is an intent to influence the Government.

The Office of Government Ethics has been consulted with regards to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303

  
Sydney D. Berwager,  
Acting Vice President, Industry Restructuring

7/29/05

Date

cc

Sue Wadel, DOE OGC, GC-77

Mary Wooldridge, LC-7

**Department of Energy**

Bonneville Power Administration  
P.O. Box 3621  
Portland, Oregon 97208-3621

EXECUTIVE OFFICE

August 2, 2005

MEMORANDUM FOR VICKIE VANZANDT  
SENIOR VICE PRESIDENT,  
TRANSMISSION BUSINESS LINE  
BONNEVILLE POWER ADMINISTRATION

FROM: RUTH B. BENNETT  
CHIEF OPERATING OFFICER  
BONNEVILLE POWER ADMINISTRATION

SUBJECT: Conflict of Interest Waiver - WECC

Pursuant to 18 U.S.C. § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve on the board of directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-Federal entity where such service is in an official capacity.

The Pacific Northwest Electric Power Planning and Conservation Act requires the Bonneville Power Administration (BPA) to assure the Pacific Northwest of an adequate, efficient, economical, and reliable power supply. In your official capacity as Senior Vice President, Transmission Business Line, you were selected to serve on the Board of Directors of the Western Electricity Coordinating Council (WECC). The WECC is a non-profit corporation formed in April 2002 from a merger of the Western Systems Coordinating Council, Southwest Regional Transmission Association, and Western Regional Transmission Association. The WECC encompasses fourteen Western states, two Canadian provinces, and portions of one Mexican State. Its members are represented by all segments of the electric industry.

The WECC is the Pacific Northwest's representative to the North American Electric Reliability Council (NERC). The WECC is the largest and most diverse reliability council of the ten regional councils of the NERC. The WECC and the nine other regional reliability councils were formed due to the national concern regarding the reliability of the interconnected bulk power systems, the ability to operate these systems without

widespread failures in electric service and the need to foster the preservation of reliability through a formal organization. The WECC supports efficient competitive power markets, and assures open and non-discriminatory transmission, as well as, providing a forum for coordinating the operating and planning activities of its 154 members.

The WECC Board of Directors currently has 30 members who meet four times a year; additional meetings are held when required. At its meetings, the board discusses a variety of issues including annual budget issues, policy, procedures, and standards for bulk electrical service reliability. You will be expected to participate fully as a board member but will receive no compensation.

BPA is one of four power-marketing entities that operate under the Department of Energy. BPA service area covers three states and portions of five other states that are included in the geographic area covered by WECC. BPA markets 45% of the power generation in the Pacific Northwest and operates approximately 75% of the region's high voltage transmission lines. As the region's largest power marketer and transmission provider, BPA must be an active participant in forming regional energy policy to protect Federal rate payers and to advance the stated purposes of the Pacific Northwest Power Act.

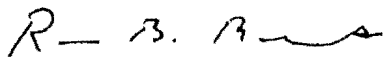
As the Senior Vice President for the Transmission Business Line, you are responsible for the safe and reliable operation of BPA's transmission system grid. This is accomplished by overseeing the coordination and policy setting for transmission system planning, design, construction, operation, maintenance, and aircraft services. Indeed, BPA/DOE views your participation on WECC's Board as essential because active participation in the WECC is required for BPA to successfully carry out its mission. Service on the WECC's Board of Directors will allow you to present the BPA/DOE position on issues impacting grid and customer service reliability, as well as costs which impact Federal rate payers.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the service which the Government may expect from such employee or officer.

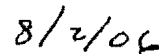
I have determined that you may serve on the board of directors of WECC in your official capacity. A potential conflict exists under 18 U.S.C. § 208 because your service on the Board of Directors in your official capacity is required in order to meet the objectives of DOE programs and, as a board member, you have a fiduciary duty. Accordingly, pursuant to 18 U.S.C. 208(b)(1), I have determined that your imputed financial interest

in WECC, as a member of its governing board, is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you because the interests of the Government and the organization are parallel and non-adversarial. Under the terms of this waiver, you must refrain from participating in other Departmental business that will have a direct and predictable effect upon the financial interests of WECC (aside from those activities undertaken as a member of the WECC board). Thus, for example, you may not participate in any decisions that the Department may make to provide funding or resources to WECC. In addition, you may not represent WECC before the Federal Government where there is an intent to influence the Government.

The Office of Government Ethics has been consulted with regards to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303



Ruth B. Bennett,  
Chief Operating Officer



Date

cc  
Sue Wadel, DOE/OGC, GC-77  
Mary Wooldridge, LC-7



**Department of Energy**

Bonneville Power Administration  
P.O. Box 3621  
Portland, Oregon 97208-3621

POWER BUSINESS LINE

August 1, 2005

In reply refer to: PN-1

TO: MEMORANDUM FOR MICHAEL J. WEEDALL  
VICE PRESIDENT, ENERGY EFFICIENCY  
BONNEVILLE POWER ADMINISTRATION

FROM: PAUL E. NORMAN  
SENOIR VICE PRESIDENT, POWER BUSINESS LINE

SUBJECT: Conflict-of-Interest Waiver – Northwest Energy Efficiency Alliance

Pursuant to 18 USC § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve on the board of directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-federal entity where such service is in an official capacity as a Department employee.

The Pacific Northwest Electric Power Planning and Conservation Act (NW Power Act) requires the Bonneville Power Administration (BPA) to assure the Pacific Northwest of an adequate, efficient, economical, and reliable power supply. The Act directs BPA to acquire resources through the use of renewable resources and conservation. You were asked to serve on the Northwest Energy Efficiency Alliance, Inc. (NEEA) Board of Director's Executive Committee in your official capacity. You will receive no compensation for this service. The NEEA is a non-profit corporation supported by BPA, electric utilities, public benefits administrators, state governments, public interest groups and energy efficiency industry representatives. These entities work together to make affordable, energy-efficient products and services available in the marketplace with the goal of accelerating the adoption of energy-saving products and services in the existing marketplace.

The NEEA has a 28-member Board consisting of representatives from the BPA, consumer-and investor-owned utilities, state government, and public interest and efficiency industry organizations. Two consumer representatives also sit on the board and a staff member for each of the four state regulatory agencies holds an ex-officio (non-voting) seat. The NEEA also has an Executive Committee composed from its board members. Directors serve a three year term and Executive Committee members serve a one year term.

BPA is one of four power marketing entities that operate under the Department of Energy. BPA's service area covers three states and portions of five other states in the Pacific Northwest. BPA operates 75% of the high voltage transmission assets in the Pacific Northwest and markets 45% of the power. As the region's largest power marketer and transmission provider, BPA must be an active participant in forming regional energy policy to protect Federal rate payers and to advance the stated purposes of the Pacific Northwest Power Act.

Under the NW Power Act, the Northwest Power and Conservation Council is directed to develop Regional Power Plans guiding how the four states of the Pacific Northwest will meet the electricity needs of this region. One of the most important elements of that plan is the specific target for conservation in the region. Conservation is specified as the first resource of preference under the NW Power Act. The most recent power plan, The Fifth Northwest Power and Conservation Plan, identifies the need for BPA to secure 52 average/megawatts annually for the next 5 years. The energy savings achieved by NEEA are counted towards BPA's conservation goal, proportional to the percent of funding BPA provides NEEA, i.e., as BPA provides approximately 50% of the funding for NEEA, BPA claims 50% of the conservation savings achieved by NEEA. Further, because of NEEA's focus on market transformation strategies, those energy savings are delivered to BPA at the lowest cost of any alternative energy savings BPA can achieve in this region. Thus, it is critical to BPA's conservation success to have NEEA as part of the resources we assemble to achieve the conservation targets specified by the Power Council.

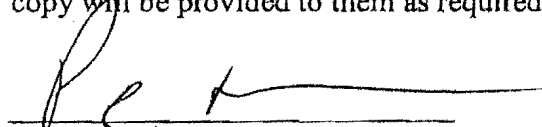
As BPA's Vice President of Energy Efficiency, you provide leadership and direction for conservation, load management, low-income weatherization, and research and development activities with emerging technologies such as the distributed generation programs. As such, the work required to satisfy your responsibilities to NEEA are directly in line with your duties as Vice President of Energy Efficiency because BPA's and NEEA's goals are closely aligned.

I consider your participation, as BPA's Vice President of Energy Efficiency, on the NEEA Board of Directors, critical to ensuring that BPA's conservation targets are met. Your duties on the Board will include reviewing and approving budget and policy, making program recommendations, providing strategic direction, and evaluating the performance of the NEEA Director. Your position as Vice President does not make funding decisions relating to NEEA. Those decisions are made by the BPA's Administrator, Stephen Wright, directly.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Board of Directors of NEEA in your official capacity. A potential conflict exists under 18 U.S.C. § 208 because your service on the Board of Directors in your official capacity is required in order to meet the objectives of DOE programs and, as a board member, you have a fiduciary duty. Accordingly, pursuant to 18 U.S.C.208(b)(1), I have determined that your imputed financial interest in NEEA, as a member of its Board of Directors, is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you. Under the terms of this waiver, you must refrain from participating in other Departmental business that will have a direct and predictable effect upon the financial interests of NEEA. Thus, for example, you may not participate in any decisions that the Department may make to provide funding or resources to NEEA. In addition, you may not represent NEEA before the Federal Government where there is an intent to influence the Government.

The Office of Government Ethics has been consulted with regards to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303

  
Paul Norman,  
Senior Vice President, Power Business Line

  
Date

cc:

Sue Wadel, DOE/OGC, GC-77

Mary Wooldridge, LC-7

United States Government

Department of Energy  
Bonneville Power Administration**memorandum**

DATE: April 4, 2005

REPLY TO  
ATTN OF: K-7

SUBJECT: Conflict-of-Interest Waiver

TO: Allen R. Burns  
Executive Vice President, Industry Restructuring

Pursuant to 18 U.S.C. § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests are deemed to include those of an organization for whom you serve on the board of directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-federal entity where such service is performed in the employee's official capacity.

You were asked to serve, in your official capacity, as Bonneville Power Administration's (BPA) representative on the Board of Directors of RTO West, a Washington State nonprofit corporation. The Federal Energy Regulatory Commission (FERC), by Order No. 2000 (RM99-2-000), encouraged transmission providers, such as BPA, to participate in the formation of an independent regional transmission organizations (RTOs). FERC's goal in establishing RTOs is to promote efficiency in wholesale electricity markets and ensure that electricity consumers pay the lowest price possible for reliable service. The first requirement of Order No. 2000 is that the RTO must be independent. Three conditions must be met in order to achieve independence: (1) RTO employees and directors cannot hold any financial interest in any market participants; (2) the RTO must have decision-making authority that is independent of control by any market participant; and (3) the RTO must have exclusive and independent authority to file changes to its transmission tariff with FERC.

BPA is one of nine transmission owners that formed RTO West to develop a functioning regional transmission organization. RTO West has recently been restructured into Grid West because an agreement on a regional transmission organization could not be reached under the RTO West structure.

Grid West is a Washington State nonprofit membership corporation. Under its Developmental Bylaws, Grid West's purpose is to develop a proposal for an operational, independent transmission organization for the Pacific Northwest and its surrounding states and provinces. Currently, Grid West consists of an Interim Board of Trustees. The Grid West Interim Board is a temporary board whose primary responsibilities are to administer the transition from a non-membership corporation (RTO West) to a member corporation (Grid West) to be governed by an independent Board of Trustees selected by the future members of Grid West. The Interim Board will manage the disbursement of a nominal operating fund, manage an existing service contract, and monitor progress toward the election of an independent board.

When RTO West was restructured into Grid West on December 9, 2004, you became a member of the Interim Board of Trustees of Grid West. You do not receive compensation as a board member. Your term extends until either an independent board is elected during 2005 or the corporation (or its restructured successor) is dissolved.

In general, BPA is one of four power marketing entities that operate under the Department of Energy. BPA's service area covers three states and portions of five other states. BPA markets wholesale electrical power in these states and also operates a transmission system which comprises more than half of the combined Federal and non-Federal transmission assets in that area. As the Vice-President for Industry Restructuring, you are responsible for BPA's participation in and monitoring of electric industry restructuring efforts on a regional and national basis. A major component of your responsibility is to guide BPA's participation in regional efforts to improve coordination of the multiple transmission systems that comprise the interconnected grid in the Pacific Northwest and surrounding areas and thereby improve the efficiency of wholesale power markets. On May 16, 2000, the Department of Energy Deputy Secretary directed federal power marketing entities to fully participate in RTO development efforts and to join an RTO, if possible. In addition, the Department recommended in its National Transmission Grid Study (May 2002) that Federal power marketing administrations, such as BPA, participate in the formation of regional transmission organizations.

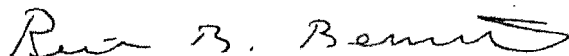
DOE views your participation on Grid West's Interim Board as critical for the protection of BPA's interests because Grid West offers significant potential for improved management, operation, and planning of the interconnected grid. It also views your participation as BPA's representative on the Interim Board as advantageous because of your knowledge of BPA's overall transmission strategy, national restructuring efforts, and of the regional process that preceded the decision to form Grid West.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives, in advance, a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Grid West Interim Board in your official capacity. A potential conflict exists under 18 U.S.C. § 208 solely because the programs of DOE direct you to serve on the Board of Directors in your official capacity and, as a member, you have fiduciary duties to Grid West. Accordingly, pursuant to 18 U.S.C. § 208(b)(1), I have determined that your imputed financial interest in Grid West as a member of its Interim Board is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you. In these particular circumstances, and solely for the duration of your appointment to the Interim Board, the interests of DOE, BPA, and Grid West are parallel and not adversarial. Under the terms of this waiver, however, you may not represent Grid West to DOE or BPA with regard to any decisions that DOE or BPA may make to provide funding or other

resources to Grid West. In your official role on behalf of DOE or BPA, you may present factual information to DOE or BPA decision-makers concerning the basis for or estimated costs of the activities at issue; however, you may not advocate for or against a particular DOE or BPA decision, make the decision, or otherwise have a vote or equivalent say in that DOE or BPA decision. Except as just provided, you may communicate to and appear before the Federal Government in your official capacity as a BPA employee on all matters necessary or appropriate to fulfill your BPA responsibilities, as discussed above in this memorandum, but you may not communicate to or appear before the Federal Government as a representative of Grid West.

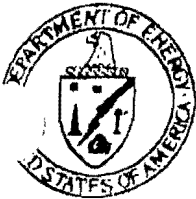
The Office of Government Ethics has been consulted with regards to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.



Ruth B. Bennett  
Chief Operating Officer

cc:

Susan Beard, DOE-OGC/GC-77  
Mary Wooldridge, BPA - LC-7  
Official File - L-7



**Department of Energy**  
Western Area Power Administration  
P.O. Box 281213  
Lakewood, CO 80228-8213

MAR 23 2005

MEMORANDUM FOR ROBERT HARRIS  
REGIONAL MANAGER  
WESTERN AREA POWER ADMINISTRATION

FROM: MICHAEL S. HACSKAYLO *Michael S. Hascaylo*  
ADMINISTRATOR  
WESTERN AREA POWER ADMINISTRATION

SUBJECT: Conflict of Interest Waiver for Robert Harris

Pursuant to 18 U.S.C. § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests are deemed to include those of an organization for whom you serve on the Boards of Directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-federal entity where such service is performed in the employee's official capacity.

You were asked to serve on the Boards of Directors in your official capacity of the MAPPCOR, Mid-Continent Area Power Pool (MAPP), and Midwest Reliability Organization (MRO).

**Description of the Organizations:**

MAPPCOR is the contractor to MAPP (Mid-Continent Area Power Pool) and administers the MAPP Restated Agreement, the contract that governs the MAPP organization. Incorporated in June 1990 as a not-for-profit organization, MAPPCOR has been providing transmission and reliability services to MAPP and its members for the past decade. Starting January 1, 2005, MAPPCOR began providing reliability services to the MRO under a service agreement. MAPPCOR employs professionals in the areas of engineering, technology, finance and other professional functions. The Western Area Power Administration is a member of MAPPCOR.

MAPP was formed in 1972 to ensure reliability in the upper Midwest and is an association of electric utilities and other electric industry participants in the following states and provinces: Minnesota, Nebraska, North Dakota, Manitoba, Saskatchewan, and parts of Wisconsin, Montana, Iowa and South Dakota. MAPP also has members in Kansas and Missouri. As a volunteer association, MAPP includes members from investor-owned utilities, cooperatives, municipals, public power districts, Canadian Crown Corporations, a Federal power marketing agency, power marketers, regulatory agencies, and independent power producers. The Western Area Power Administration is a member of MAPP.

For many years the MAPP organization performed three core functions: a Reliability Council, responsible for the safety and reliability of the bulk electric system, under the North American Electric Reliability Council (NERC) and included a reserve sharing pool; a regional transmission group, responsible for facilitating open access of the transmission system; and a power and energy market, where MAPP Members and non-members may buy and sell electricity.

In January 2005, MAPP sunset its regional reliability functions with a separate, distinct organization, the Midwest Reliability Organization (MRO). Additionally, the power and energy market functions of MAPP were spun-off and became the Mid-Continent Energy Marketers Association (MEMA) in May 2003. The recently amended MAPP Restated Agreement has two remaining functions: a regional transmission group and a generation reserve sharing pool.

The Midwest Reliability Organization (MRO) which replaced the MAPP Regional Reliability Council is one of ten Regional Reliability Councils that comprise the North American Electric Reliability Council (NERC). The MRO is a voluntary association committed to safeguarding reliability of the electric power system in the north central region of North America.

NERC's mission is to ensure that the bulk electric system in North America is reliable, adequate and secure. Since its formation in 1968, NERC has operated successfully as a voluntary organization, relying on reciprocity, peer pressure and the mutual self-interest of all those involved. Through this voluntary approach, NERC has helped to make the North American bulk electric system the most reliable system in the world. NERC is a not-for-profit corporation whose members are ten Regional Reliability Councils. The members of these councils come from all segments of the electric industry: investor-owned utilities; federal power agencies; rural electric cooperatives; state, municipal and provincial utilities; independent power producers; power marketers; and end-use customers. These entities account for virtually all the electricity supplied and used in the United States, Canada and a portion of Baja California Norte, Mexico. The essential purpose of the MRO is the development, implementation, and enforcement of compliance with North American and regional electric reliability standards.

The MRO also provides education and training to its members; assess adequacy and performance; collects reliability information and data; provides a dispute resolution process; and participates in NERC as a regional reliability council.

The structure of the MRO anticipates mandatory reliability standards. The MRO membership is comprised of municipal utilities, cooperatives, investor-owned utilities, a federal power marketing agency, Canadian Crown Corporations, and independent power producers. The MRO region spans eight states and two Canadian provinces covering roughly one million square miles.

#### **Frequency of MAPPCOR meetings attended by Mr. Harris:**

Regular meetings of the MAPPCOR Board are held each quarter. Special meetings can be called throughout the year as needed.



**Mr. Harris' duties as a MAPPCOR Board of Director Member:**

Mr. Harris is one of twelve electric industry executives who serve on the Board and who vote on MAPPCOR matters. The Board directs the activities of MAPPCOR, adopts an annual budget, and establishes policy associated with the services provided to MAPP and MRO.

**How these duties as (including voting on issues or other decision making) affect Western, DOE, or other governmental agencies:**

Western is a member of the MAPP, the MRO and MAPPCOR. MAPPCOR, as the service provider to both the MAPP and the MRO, is critical in making MAPP and the MRO successful. The success of MAPP and the MRO are instrumental in allowing Western to meet its mission, goals and obligations to maintain the reliable operation of the electric grid and its power marketing obligations. In directing the activities of MAPPCOR, its Board of Directors impact the MAPP and the MRO members financially, since MAPP and MRO members pay for MAPPCOR services based on their MAPP and MRO obligations. As such, Mr. Harris votes on issues which impact Western financially. Moreover, the policies the Board develops establish the basis for services supplied to the MAPP and the MRO; which in turn, impact Western's ability to operate within the nation's electric power system reliability criteria; and the decisions made by the Board can have a significant impact on Western's ability to accomplish its mission.

**Duties/responsibilities as Western Upper Great Plains Regional Manager that affect MAPP:**

Western is obligated to meet reliability standards previously set forth by MAPP and currently by the MRO. Western's success in adhering to those standards could impact the ability of MAPP and the MRO and its members to assure electric system reliability. Western's adherence to MAPP and MRO standards can be influenced by Western management decisions on issues such as budget, staffing, and operational practice.

**Frequency of Midwest Reliability Organization (MRO) meetings attended by Mr. Harris:**

The MRO Board of Directors holds regular meetings once each quarter. Special meeting can be called throughout the year as needed.

**Mr. Harris' duties as a MRO Board of Director Member and current Chair:**

Mr. Harris is one of approximately 16 electric industry executives who serve on the Board and who vote on MRO matters. The Board directs and coordinates the activities necessary to carry out the purpose of the MRO organization. The Board is responsible for managing the business affairs of the MRO organization, which includes but is not limited to the approval of criteria, policies, procedures, and new members. The Board also formulates an annual budget and submits it for approval by the MRO organization. All actions of the Board require a quorum of a majority of the Board and an affirmative vote of two-thirds of the Directors present. The MRO Board of Directors is made up of sector representatives.

Mr. Harris represents the Federal Power Marketing Sector, which no other industry executive could adequately represent. The "Federal Power Marketing Sector" has 1 Director. Other sectors include: Canadian Utility (1 Director) Cooperative (2 Directors), Generator and/or Power Marketer (2 Directors), Investor Owned Utility (5 Directors), Municipal Utility (2 Directors), and Transmission System Operator (3 Directors). The business and affairs of the Corporation are managed by or under the direction of a board of directors. The duties of the board will include, but will not be limited to the following: (1) govern the Corporation and oversee all of its activities; (2) establish and oversee all organizational groups; (3) approve, revise and enforce Organizational Standards, Member data and information requirements and related confidentiality requirements; (4) establish compliance monitoring procedures and requirements, and penalties and sanctions for non-compliance; (5) impose penalties and sanctions consistent with these Bylaws and the procedures approved by the board; (6) establish and approve an annual budget; (7) represent the Corporation in legal and regulatory proceedings; and (8) hire the president. The board of directors selects a chair and a vice-chair from among the members of the board. The board may establish board committees as appropriate.

**How these duties as Director and Chair (including voting on issues or other decision making) affect Western, DOE, or other governmental agencies:**

Western is a member of the MRO, and the Board can obligate MRO members to comply with certain policies and standards. Mr. Harris votes on issues which can obligate Western to comply with these policies and standards. Moreover, since the policies developed set in place the requirements of operating within the electric power system, the decisions made by the Board can have a significant impact on Western's ability to carry out its mission. Mr. Harris represents the "Federal Power Marketing" sector on the Board. As such his responsibilities include representing the Federal Power Marketing interests on Board actions.

**Duties/responsibilities as Western's Upper Great Plains Region that affect MRO:**

Western is obligated to meet reliability standards set forth by MRO. Western's success in adhering to those standards could impact the ability of MRO and its members to assure system reliability. Western's adherence to MRO standards can be influenced by Western management decisions on issues such as budget, staffing, and operational practice.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Board of Directors of the following organizations in your official capacity. A conflict exists under 18 U.S.C. § 208, because the

programs of the Department direct you to serve on the Boards of Directors in your official capacity. In these particular circumstances, however, the interests of the Department, MAPPCOR, and the Midwest Reliability Organization are parallel and not adversarial. Accordingly, pursuant to 18 U.S.C. § 208(b)(1), I have determined that your imputed financial interest in these organizations as a member of the Boards of Directors is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you. Under the terms of this waiver, you must refrain from participating in specific Departmental matters that will have a direct and predictable effect upon the financial interest of the organizations. Thus, for example, you may not participate in any decisions that DOE or WAPA may make to provide funding or resources to these organizations. In addition, you may not represent these organizations before the Federal Government where there is an intent to influence.

The Office of Government Ethics has been consulted with regards to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.

Please contact me if any additional information is needed. Your assistance in this matter is appreciated.

cc: Susan Beard, DOE/OGC – GC-77  
Liova D. Juárez, WAPA/OGC

# memorandum

DATE: February 22, 2005

REPLY TO  
ATTN OF: TF/DOB-1

SUBJECT: Conflict of Interest Waiver

to: Kimberly Howell, Supervisory Technical Training Specialist

Section 208(a), title 18, United States Code, prohibits you from participating personally and substantially, as a Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve as a director. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-federal entity where such service is in an official capacity as a Department employee.

## National Utility Training Services, Inc.

You have been asked, in your official capacity, to serve as a voting member of the Board of Directors of the newly formed National Utility Training Services, Inc. (NUTS). NUTS has been organized as a nonprofit under the Washington Nonprofit Corporation Act. The Board of Directors will be comprised of a maximum of 23 directors and a minimum of 15 directors. The exact number will be fixed from time-to-time by resolution of the Board of Directors. The Board of Directors will include representatives from a cross-section of the entities from the utility industry, including companies providing transmission, distribution, generation, and metering services. The Board will include one or more representatives from among equipment manufacturers, professional service companies, non-power utilities, governmental agencies, education institutions, tribal nations, or unions.

The Board meets annually and may have other meetings as determined by the Board. All members serve without compensation. As a Board member, you will participate in financial planning, approving the budget, setting policy, and approving program recommendations; providing strategic direction for NUTS.

UTS is organized and operated exclusively for the purpose of providing education and training, with an emphasis on "hands on" training, to persons working in the utility industry. This education and training will include, but not be limited to, training in the areas of electric generation, transmission, distribution, and metering.

## BPA/Your Duties

BPA participated in the development of the NUTS training site over the past several years and has a keen interest in the educational opportunities it can provide for BPA employees or potential future hires. BPA is one of four power-marketing entities that operate under the Department of Energy. BPA's service area covers three states and portions of five other states in the Pacific Northwest. BPA markets wholesale electrical power and operates and markets transmission services in these states.

As BPA's Supervisory Technical Training Specialist, you provide leadership and direction for the organization within BPA responsible for the apprenticeship and continuing education of employees within the trades and crafts. Your background as a journeyman electrical substation operator provides you with additional expertise in the trades and crafts. Your role is one of oversight for BPA's training center for apprentices and journeymen. This includes contracting with vendors to provide training that may later be offered by NUTS. However, your responsibilities are to provide appropriate training for employees, as directed by Labor/Management Craft Committee guidelines established for Apprenticeships or as approved by the Transmission Field Services Management Team, under whom these employees work. Further, the training is funded through the Management Team and its concurrence in the training regimen is critical. The training that you are responsible for is generally delivered by your internal training staff, however, some training is delivered by contract training providers. These contract providers are procured through a competitive process that is managed by BPA's contracting staff. Any deviation from the competitive bidding process requires approval from the Vice President for Transmission Field Services.

DOE views your participation on the NUTS Board of Directors as advantageous in that you will be able to express the Government's interests and needs in an effort to influence the types of course offerings and training props being developed. With your knowledge of BPA's current and future employee needs, you can seek to influence the NUTS training program for the benefit of BPA and the larger utility community. As BPA operates 75 percent of the high voltage transmission assets in the Pacific Northwest and markets 45 percent of the power; BPA can reap benefits through supporting initiatives in educating and training trade and craft employees in new technology and safe work practices that will be consistent throughout the Northwest. Further, it can reduce its costs by not having to invest in infrastructure, technology, staff, equipment or other requirements, but, instead, collaborating with the larger utility community to share the burden of such necessary training.

### **Waiver Requirements**

As a member of the governing body of NUTS, the financial interests of NUTS are imputed to you under 18 U.S.C. § 208. However, absent a waiver, you are prohibited from participating in any particular matter that would have a direct and predictable effect on the financial interest of NUTS. Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

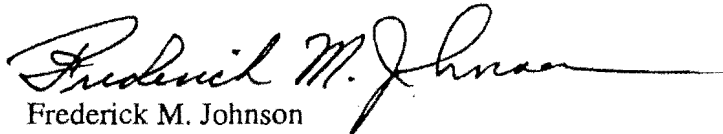
I have considered the following facts in reaching my decision to allow your participation as a member of the NUTS Board in your official capacity:

1. Your financial interest in NUTS is no greater than the other representatives and your vote will be one of 15-23 members;

2. The importance of having BPA's training skills needs communicated by someone whose training expertise can assure quality outcomes for DOE employees;
3. BPA's utilization of the NUTS training facility and courses will be over sighted by the Management Team that you serve;
4. In your supervisory capacity, you will be involved in the oversight of a variety of training services, and conferring with your staff on training needs for the trades and craft workers in the Transmission Field Services group;
5. As your supervisor, I will make the final decision on the vendor chosen for any contract procurement action that involves NUTS as a competitive bidder or sole source as a training provider of training that is delivered to BPA's employees;
6. You will not participate directly in procuring services from NUTS, or the selection of any contractor in competition with NUTS; and
7. You may participate in arranging training at NUTS that does not result in a cost to BPA.

### Conclusion

Accordingly, pursuant to 18 U.S.C. 208(b)(1), I have determined that your imputed financial interest in NUTS, as a member of its Board of Directors, is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you. Under the terms of this waiver, you must refrain from participating in Departmental business that will have a direct and predictable effect upon the financial interests of NUTS. For example, you may not participate in any decisions that the Department/BPA may make to provide funding or resources to NUTS, or the award of a contract whether sole source or competitive. In addition, you may not represent NUTS before the Federal Government where there is an intent to influence the Government.



Frederick M. Johnson  
Vice President, Transmission Field Services

cc:

S. Wadel – GC-77

Official File – TF (MN-6)

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## Department of Energy

Washington, DC 20585

JUN 30 2010

MEMORANDUM FOR: DONALD L. COOK  
DEPUTY ADMINISTRATOR FOR DEFENSE  
PROGRAMS  
NATIONAL NUCLEAR SECURITY  
ADMINISTRATION (NNSA)

FROM: SUSAN F. BEARD *SFBeard*  
ASSISTANT GENERAL COUNSEL FOR GENERAL  
LAW AND DESIGNATED AGENCY ETHICS  
OFFICIAL  
OFFICE OF THE GENERAL COUNSEL

SUBJECT: Limited Waiver of Paragraph 2 of the Ethics Pledge for  
non-monetary specific party matters involving Sandia  
Corporation and general budgetary matters involving  
Defense Programs

Pursuant to the authority delegated under Section 3 of Executive Order 13490 "Ethics Commitments by Executive Branch Personnel" (January 21, 2009) and after consultation with the Counsel to the President, I hereby certify, for the reasons stated below, that it is in the public interest for you to receive a limited waiver of the restrictions of paragraph 2 of the Ethics Pledge as Deputy Administrator for Defense Programs of the National Nuclear Security Administrator (NNSA).

You were previously employed by Lockheed Martin as the Managing Director, Chief Executive Officer, and Special Advisor of the Atomic Weapons Establishment (AWE) and as a President of a Lockheed Martin Company since March of 2006. AWE is a UK government-owned establishment that is managed and operated by a private company in which Lockheed Martin is a member. You advise that you did not have any job responsibilities related to Sandia Corporation since beginning your job responsibilities at the AWE.

The position of Deputy Administrator for Defense Programs (Deputy Administrator) was established pursuant section 3214 of Public Law 106-65, codified at 50 U.S.C. § 2404, to manage the Stockpile Stewardship Program. As Deputy Administrator, your responsibility is to maintain and enhance the safety, reliability, and performance of the United States nuclear weapons stockpile through design, production, and testing. You are further responsible for directing, managing, and overseeing the nuclear weapons production facilities and the national security laboratories. Sandia National Laboratories, along with Lawrence Livermore National Laboratory, Los Alamos National Laboratory, Kansas City Plant, Pantex Plant, Y-12, and Savannah River Site are managed by the Deputy Administrator. Sandia Corporation is a wholly owned subsidiary of Lockheed Martin and the management and operations contractor of Sandia National Laboratories.



Therefore, as the nuclear stockpile manager for these laboratories, it would be untenable to recuse you from all matters related to Sandia Corporation.

Absent a waiver, you would be prohibited by paragraph 2 of the Ethics Pledge from participating in any particular matter involving specific parties in which either Lockheed Martin or Sandia Corporation, a wholly owned subsidiary of Lockheed Martin, is or represents a party. Your knowledge of the nuclear weapons landscape and expertise in nuclear security and safety are essential to the United States nuclear weapons program. Your ability to engage in such decision-making about the future of NNSA's weapons program is in the public interest and fundamental to NNSA's ability to remain in the forefront of nuclear security. This limited waiver is granted with the understanding that you will comply with the restrictions set forth below. Through this limited waiver, I authorize you to participate in non-monetary specific party matters involving Sandia Corporation and general budgetary matters involving Defense Programs. This includes your participation in the day-to-day operations of Sandia Laboratories, including the management and performance of program activities and facilities operations carried out in support of the Stockpile Stewardship Program. Further, I authorize you to engage in one-on-one conversations with Sandia management on these matters, which could involve discussions on personnel involved in Sandia's stewardship program activities. Furthermore, I authorize you to serve as a member of the NNSA Management Council and the activities associated with Program and Project Management for the administration of the NNSA complex when the Administrator is unavailable. And finally, I authorize you to participate in the activities associated with Program and Project Management for the Acquisition of Capital Assets.

However, this limited waiver does not authorize you to participate in the following aspects of particular matters involving specific parties in which Sandia Corporation is a party or represents a party: (1) any evaluation of the work performed; (2) any award fee process; (3) any extension of the contract; (4) any recompetition of the contract; (5) negotiations affecting Sandia Corporation's financial arrangements between Sandia and the Department of Energy ( e.g. work authorizations, new work awards outside of the M & O contract, cooperative agreements, grants, work for others, personnel matters requiring additional financial commitments, etc.); (6) contract disputes; and (7) site split budgetary matters or budgetary matters unique to Sandia Corporation. The authorization does not extend to particular matters affecting Lockheed Martin Corporation uniquely and specifically.

This limited waiver does not affect your obligation to comply with other provisions of the Ethics Pledge or with all other pre-existing government ethics rules.



BPA is one of four power marketing entities that operate under the Department of Energy. BPA's service area covers three states and portions of five other states in the Pacific Northwest. BPA operates 75% of the high voltage transmission assets in the Pacific Northwest and markets 45% of the power. As the region's largest power marketer and transmission provider, BPA must be an active participant in forming regional energy policy to protect Federal rate payers and to advance the stated purposes of the Pacific Northwest Power Act.

Under the NW Power Act, the Northwest Power and Conservation Council is directed to develop Regional Power Plans guiding how the four states of the Pacific Northwest will meet the electricity needs of this region. One of the most important elements of that plan is the specific target for conservation in the region. Conservation is specified as the first resource of preference under the NW Power Act. The most recent power plan, The Fifth Northwest Power and Conservation Plan, identifies the need for BPA to secure 52 average/megawatts annually for the next 5 years. The energy savings achieved by NEEA are counted towards BPA's conservation goal, proportional to the percent of funding BPA provides NEEA, i.e., as BPA provides approximately 50% of the funding for NEEA, BPA claims 50% of the conservation savings achieved by NEEA. Further, because of NEEA's focus on market transformation strategies, those energy savings are delivered to BPA at the lowest cost of any alternative energy savings BPA can achieve in this region. Thus, it is critical to BPA's conservation success to have NEEA as part of the resources we assemble to achieve the conservation targets specified by the Power Council.

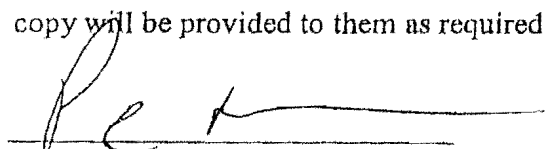
As BPA's Vice President of Energy Efficiency, you provide leadership and direction for conservation, load management, low-income weatherization, and research and development activities with emerging technologies such as the distributed generation programs. As such, the work required to satisfy your responsibilities to NEEA are directly in line with your duties as Vice President of Energy Efficiency because BPA's and NEEA's goals are closely aligned.

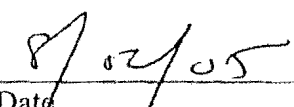
I consider your participation, as BPA's Vice President of Energy Efficiency, on the NEEA Board of Directors, critical to ensuring that BPA's conservation targets are met. Your duties on the Board will include reviewing and approving budget and policy, making program recommendations, providing strategic direction, and evaluating the performance of the NEEA Director. Your position as Vice President does not make funding decisions relating to NEEA. Those decisions are made by the BPA's Administrator, Stephen Wright, directly.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Board of Directors of NEEA in your official capacity. A potential conflict exists under 18 U.S.C. § 208 because your service on the Board of Directors in your official capacity is required in order to meet the objectives of DOE programs and, as a board member, you have a fiduciary duty. Accordingly, pursuant to 18 U.S.C.208(b)(1), I have determined that your imputed financial interest in NEEA, as a member of its Board of Directors, is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you. Under the terms of this waiver, you must refrain from participating in other Departmental business that will have a direct and predictable effect upon the financial interests of NEEA. Thus, for example, you may not participate in any decisions that the Department may make to provide funding or resources to NEEA. In addition, you may not represent NEEA before the Federal Government where there is an intent to influence the Government.

The Office of Government Ethics has been consulted with regards to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303

  
Paul Norman,  
Senior Vice President, Power Business Line

  
Date

cc:  
Sue Wadel, DOE/OGC, GC-77  
Mary Wooldridge, LC-7

United States Government

Department of Energy  
Bonneville Power Administration**memorandum**

DATE: April 4, 2005

REPLY TO:  
ATTN OF: K-7

SUBJECT: Conflict-of-Interest Waiver

TO: Allen R. Burns  
Executive Vice President, Industry Restructuring

Pursuant to 18 U.S.C. § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests are deemed to include those of an organization for whom you serve on the board of directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-federal entity where such service is performed in the employee's official capacity.

You were asked to serve, in your official capacity, as Bonneville Power Administration's (BPA) representative on the Board of Directors of RTO West, a Washington State nonprofit corporation. The Federal Energy Regulatory Commission (FERC), by Order No. 2000 (RM99-2-000), encouraged transmission providers, such as BPA, to participate in the formation of an independent regional transmission organizations (RTOs). FERC's goal in establishing RTOs is to promote efficiency in wholesale electricity markets and ensure that electricity consumers pay the lowest price possible for reliable service. The first requirement of Order No. 2000 is that the RTO must be independent. Three conditions must be met in order to achieve independence: (1) RTO employees and directors cannot hold any financial interest in any market participants; (2) the RTO must have decision-making authority that is independent of control by any market participant; and (3) the RTO must have exclusive and independent authority to file changes to its transmission tariff with FERC.

BPA is one of nine transmission owners that formed RTO West to develop a functioning regional transmission organization. RTO West has recently been restructured into Grid West because an agreement on a regional transmission organization could not be reached under the RTO West structure.

Grid West is a Washington State nonprofit membership corporation. Under its Developmental Bylaws, Grid West's purpose is to develop a proposal for an operational, independent transmission organization for the Pacific Northwest and its surrounding states and provinces. Currently, Grid West consists of an Interim Board of Trustees. The Grid West Interim Board is a temporary board whose primary responsibilities are to administer the transition from a non-membership corporation (RTO West) to a member corporation (Grid West) to be governed by an independent Board of Trustees selected by the future members of Grid West. The Interim Board will manage the disbursement of a nominal operating fund, manage an existing service contract, and monitor progress toward the election of an independent board.

When RTO West was restructured into Grid West on December 9, 2004, you became a member of the Interim Board of Trustees of Grid West. You do not receive compensation as a board member. Your term extends until either an independent board is elected during 2005 or the corporation (or its restructured successor) is dissolved.

In general, BPA is one of four power marketing entities that operate under the Department of Energy. BPA's service area covers three states and portions of five other states. BPA markets wholesale electrical power in these states and also operates a transmission system which comprises more than half of the combined Federal and non-Federal transmission assets in that area. As the Vice-President for Industry Restructuring, you are responsible for BPA's participation in and monitoring of electric industry restructuring efforts on a regional and national basis. A major component of your responsibility is to guide BPA's participation in regional efforts to improve coordination of the multiple transmission systems that comprise the interconnected grid in the Pacific Northwest and surrounding areas and thereby improve the efficiency of wholesale power markets. On May 16, 2000, the Department of Energy Deputy Secretary directed federal power marketing entities to fully participate in RTO development efforts and to join an RTO, if possible. In addition, the Department recommended in its National Transmission Grid Study (May 2002) that Federal power marketing administrations, such as BPA, participate in the formation of regional transmission organizations.

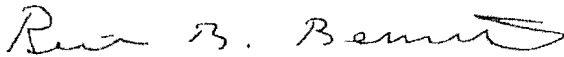
DOE views your participation on Grid West's Interim Board as critical for the protection of BPA's interests because Grid West offers significant potential for improved management, operation, and planning of the interconnected grid. It also views your participation as BPA's representative on the Interim Board as advantageous because of your knowledge of BPA's overall transmission strategy, national restructuring efforts, and of the regional process that preceded the decision to form Grid West.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives, in advance, a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Grid West Interim Board in your official capacity. A potential conflict exists under 18 U.S.C. § 208 solely because the programs of DOE direct you to serve on the Board of Directors in your official capacity and, as a member, you have fiduciary duties to Grid West. Accordingly, pursuant to 18 U.S.C. § 208(b)(1), I have determined that your imputed financial interest in Grid West as a member of its Interim Board is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you. In these particular circumstances, and solely for the duration of your appointment to the Interim Board, the interests of DOE, BPA, and Grid West are parallel and not adversarial. Under the terms of this waiver, however, you may not represent Grid West to DOE or BPA with regard to any decisions that DOE or BPA may make to provide funding or other

resources to Grid West. In your official role on behalf of DOE or BPA, you may present factual information to DOE or BPA decision-makers concerning the basis for or estimated costs of the activities at issue; however, you may not advocate for or against a particular DOE or BPA decision, make the decision, or otherwise have a vote or equivalent say in that DOE or BPA decision. Except as just provided, you may communicate to and appear before the Federal Government in your official capacity as a BPA employee on all matters necessary or appropriate to fulfill your BPA responsibilities, as discussed above in this memorandum, but you may not communicate to or appear before the Federal Government as a representative of Grid West.

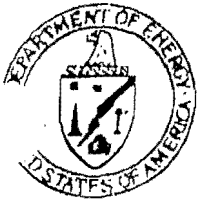
The Office of Government Ethics has been consulted with regards to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.



Ruth B. Bennett  
Chief Operating Officer

cc:

Susan Beard, DOE-OGC/GC-77  
Mary Wooldridge, BPA – LC-7  
Official File - L-7



**Department of Energy**  
Western Area Power Administration  
P.O. Box 281213  
Lakewood, CO 80228-8213

MAR 23 2005

MEMORANDUM FOR ROBERT HARRIS  
REGIONAL MANAGER  
WESTERN AREA POWER ADMINISTRATION

FROM: MICHAEL S. HACSKAYLO *Michael S. Hacskaylo*  
ADMINISTRATOR  
WESTERN AREA POWER ADMINISTRATION

SUBJECT: Conflict of Interest Waiver for Robert Harris

Pursuant to 18 U.S.C. § 208(a), you are prohibited from participating personally and substantially, as a Federal Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests are deemed to include those of an organization for whom you serve on the Boards of Directors. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-federal entity where such service is performed in the employee's official capacity.

You were asked to serve on the Boards of Directors in your official capacity of the MAPPCOR, Mid-Continent Area Power Pool (MAPP), and Midwest Reliability Organization (MRO).

**Description of the Organizations:**

MAPPCOR is the contractor to MAPP (Mid-Continent Area Power Pool) and administers the MAPP Restated Agreement, the contract that governs the MAPP organization. Incorporated in June 1990 as a not-for-profit organization, MAPPCOR has been providing transmission and reliability services to MAPP and its members for the past decade. Starting January 1, 2005, MAPPCOR began providing reliability services to the MRO under a service agreement. MAPPCOR employs professionals in the areas of engineering, technology, finance and other professional functions. The Western Area Power Administration is a member of MAPPCOR.

MAPP was formed in 1972 to ensure reliability in the upper Midwest and is an association of electric utilities and other electric industry participants in the following states and provinces: Minnesota, Nebraska, North Dakota, Manitoba, Saskatchewan, and parts of Wisconsin, Montana, Iowa and South Dakota. MAPP also has members in Kansas and Missouri. As a volunteer association, MAPP includes members from investor-owned utilities, cooperatives, municipals, public power districts, Canadian Crown Corporations, a Federal power marketing agency, power marketers, regulatory agencies, and independent power producers. The Western Area Power Administration is a member of MAPP.

For many years the MAPP organization performed three core functions: a Reliability Council, responsible for the safety and reliability of the bulk electric system, under the North American Electric Reliability Council (NERC) and included a reserve sharing pool; a regional transmission group, responsible for facilitating open access of the transmission system; and a power and energy market, where MAPP Members and non-members may buy and sell electricity.

In January 2005, MAPP sunset its regional reliability functions with a separate, distinct organization, the Midwest Reliability Organization (MRO). Additionally, the power and energy market functions of MAPP were spun-off and became the Mid-Continent Energy Marketers Association (MEMA) in May 2003. The recently amended MAPP Restated Agreement has two remaining functions: a regional transmission group and a generation reserve sharing pool.

The Midwest Reliability Organization (MRO) which replaced the MAPP Regional Reliability Council is one of ten Regional Reliability Councils that comprise the North American Electric Reliability Council (NERC). The MRO is a voluntary association committed to safeguarding reliability of the electric power system in the north central region of North America.

NERC's mission is to ensure that the bulk electric system in North America is reliable, adequate and secure. Since its formation in 1968, NERC has operated successfully as a voluntary organization, relying on reciprocity, peer pressure and the mutual self-interest of all those involved. Through this voluntary approach, NERC has helped to make the North American bulk electric system the most reliable system in the world. NERC is a not-for-profit corporation whose members are ten Regional Reliability Councils. The members of these councils come from all segments of the electric industry: investor-owned utilities; federal power agencies; rural electric cooperatives; state, municipal and provincial utilities; independent power producers; power marketers; and end-use customers. These entities account for virtually all the electricity supplied and used in the United States, Canada and a portion of Baja California Norte, Mexico. The essential purpose of the MRO is the development, implementation, and enforcement of compliance with North American and regional electric reliability standards.

The MRO also provides education and training to its members; assess adequacy and performance; collects reliability information and data; provides a dispute resolution process; and participates in NERC as a regional reliability council.

The structure of the MRO anticipates mandatory reliability standards. The MRO membership is comprised of municipal utilities, cooperatives, investor-owned utilities, a federal power marketing agency, Canadian Crown Corporations, and independent power producers. The MRO region spans eight states and two Canadian provinces covering roughly one million square miles.

#### **Frequency of MAPPCOR meetings attended by Mr. Harris:**

Regular meetings of the MAPPCOR Board are held each quarter. Special meetings can be called throughout the year as needed.

**Mr. Harris' duties as a MAPPCOR Board of Director Member:**

Mr. Harris is one of twelve electric industry executives who serve on the Board and who vote on MAPPCOR matters. The Board directs the activities of MAPPCOR, adopts an annual budget, and establishes policy associated with the services provided to MAPP and MRO.

**How these duties as (including voting on issues or other decision making) affect Western, DOE, or other governmental agencies:**

Western is a member of the MAPP, the MRO and MAPPCOR. MAPPCOR, as the service provider to both the MAPP and the MRO, is critical in making MAPP and the MRO successful. The success of MAPP and the MRO are instrumental in allowing Western to meet its mission, goals and obligations to maintain the reliable operation of the electric grid and its power marketing obligations. In directing the activities of MAPPCOR, its Board of Directors impact the MAPP and the MRO members financially, since MAPP and MRO members pay for MAPPCOR services based on their MAPP and MRO obligations. As such, Mr. Harris votes on issues which impact Western financially. Moreover, the policies the Board develops establish the basis for services supplied to the MAPP and the MRO; which in turn, impact Western's ability to operate within the nation's electric power system reliability criteria; and the decisions made by the Board can have a significant impact on Western's ability to accomplish its mission.

**Duties/responsibilities as Western Upper Great Plains Regional Manager that affect MAPP:**

Western is obligated to meet reliability standards previously set forth by MAPP and currently by the MRO. Western's success in adhering to those standards could impact the ability of MAPP and the MRO and its members to assure electric system reliability. Western's adherence to MAPP and MRO standards can be influenced by Western management decisions on issues such as budget, staffing, and operational practice.

**Frequency of Midwest Reliability Organization (MRO) meetings attended by Mr. Harris:**

The MRO Board of Directors holds regular meetings once each quarter. Special meeting can be called throughout the year as needed.

**Mr. Harris' duties as a MRO Board of Director Member and current Chair:**

Mr. Harris is one of approximately 16 electric industry executives who serve on the Board and who vote on MRO matters. The Board directs and coordinates the activities necessary to carry out the purpose of the MRO organization. The Board is responsible for managing the business affairs of the MRO organization, which includes but is not limited to the approval of criteria, policies, procedures, and new members. The Board also formulates an annual budget and submits it for approval by the MRO organization. All actions of the Board require a quorum of a majority of the Board and an affirmative vote of two-thirds of the Directors present. The MRO Board of Directors is made up of sector representatives.



Mr. Harris represents the Federal Power Marketing Sector, which no other industry executive could adequately represent. The "Federal Power Marketing Sector" has 1 Director. Other sectors include: Canadian Utility (1 Director) Cooperative (2 Directors), Generator and/or Power Marketer (2 Directors), Investor Owned Utility (5 Directors), Municipal Utility (2 Directors), and Transmission System Operator (3 Directors). The business and affairs of the Corporation are managed by or under the direction of a board of directors. The duties of the board will include, but will not be limited to the following: (1) govern the Corporation and oversee all of its activities; (2) establish and oversee all organizational groups; (3) approve, revise and enforce Organizational Standards, Member data and information requirements and related confidentiality requirements; (4) establish compliance monitoring procedures and requirements, and penalties and sanctions for non-compliance; (5) impose penalties and sanctions consistent with these Bylaws and the procedures approved by the board; (6) establish and approve an annual budget; (7) represent the Corporation in legal and regulatory proceedings; and (8) hire the president. The board of directors selects a chair and a vice-chair from among the members of the board. The board may establish board committees as appropriate.

**How these duties as Director and Chair (including voting on issues or other decision making) affect Western, DOE, or other governmental agencies:**

Western is a member of the MRO, and the Board can obligate MRO members to comply with certain policies and standards. Mr. Harris votes on issues which can obligate Western to comply with these policies and standards. Moreover, since the policies developed set in place the requirements of operating within the electric power system, the decisions made by the Board can have a significant impact on Western's ability to carry out its mission. Mr. Harris represents the "Federal Power Marketing" sector on the Board. As such his responsibilities include representing the Federal Power Marketing interests on Board actions.

**Duties/responsibilities as Western's Upper Great Plains Region that affect MRO:**

Western is obligated to meet reliability standards set forth by MRO. Western's success in adhering to those standards could impact the ability of MRO and its members to assure system reliability. Western's adherence to MRO standards can be influenced by Western management decisions on issues such as budget, staffing, and operational practice.

Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

I have determined that you may serve on the Board of Directors of the following organizations in your official capacity. A conflict exists under 18 U.S.C. § 208, because the

programs of the Department direct you to serve on the Boards of Directors in your official capacity. In these particular circumstances, however, the interests of the Department, MAPPCOR, and the Midwest Reliability Organization are parallel and not adversarial. Accordingly, pursuant to 18 U.S.C. § 208(b)(1), I have determined that your imputed financial interest in these organizations as a member of the Boards of Directors is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you. Under the terms of this waiver, you must refrain from participating in specific Departmental matters that will have a direct and predictable effect upon the financial interest of the organizations. Thus, for example, you may not participate in any decisions that DOE or WAPA may make to provide funding or resources to these organizations. In addition, you may not represent these organizations before the Federal Government where there is an intent to influence.

The Office of Government Ethics has been consulted with regards to this waiver and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.

Please contact me if any additional information is needed. Your assistance in this matter is appreciated.

cc: Susan Beard, DOE/OGC – GC-77  
Liova D. Juárez, WAPA/OGC

# memorandum

DATE: February 22, 2005

REPLY TO  
ATTN OF: TF/DOB-1

SUBJECT: Conflict of Interest Waiver

to: Kimberly Howell, Supervisory Technical Training Specialist

Section 208(a), title 18, United States Code, prohibits you from participating personally and substantially, as a Government officer or employee, in any particular matter in which you have a financial interest. Your financial interests include those of an organization for whom you serve as a director. The Office of Legal Counsel, Department of Justice, has concluded that the prohibition of this statute extends to a Federal employee's service on the board of directors of a non-federal entity where such service is in an official capacity as a Department employee.

## National Utility Training Services, Inc.

You have been asked, in your official capacity, to serve as a voting member of the Board of Directors of the newly formed National Utility Training Services, Inc. (NUTS). NUTS has been organized as a nonprofit under the Washington Nonprofit Corporation Act. The Board of Directors will be comprised of a maximum of 23 directors and a minimum of 15 directors. The exact number will be fixed from time-to-time by resolution of the Board of Directors. The Board of Directors will include representatives from a cross-section of the entities from the utility industry, including companies providing transmission, distribution, generation, and metering services. The Board will include one or more representatives from among equipment manufacturers, professional service companies, non-power utilities, governmental agencies, education institutions, tribal nations, or unions.

The Board meets annually and may have other meetings as determined by the Board. All members serve without compensation. As a Board member, you will participate in financial planning, approving the budget, setting policy, and approving program recommendations; providing strategic direction for NUTS.

UTS is organized and operated exclusively for the purpose of providing education and training, with an emphasis on "hands on" training, to persons working in the utility industry. This education and training will include, but not be limited to, training in the areas of electric generation, transmission, distribution, and metering.

## BPA/Your Duties

BPA participated in the development of the NUTS training site over the past several years and has a keen interest in the educational opportunities it can provide for BPA employees or potential future hires. BPA is one of four power-marketing entities that operate under the Department of Energy. BPA's service area covers three states and portions of five other states in the Pacific Northwest. BPA markets wholesale electrical power and operates and markets transmission services in these states.

As BPA's Supervisory Technical Training Specialist, you provide leadership and direction for the organization within BPA responsible for the apprenticeship and continuing education of employees within the trades and crafts. Your background as a journeyman electrical substation operator provides you with additional expertise in the trades and crafts. Your role is one of oversight for BPA's training center for apprentices and journeymen. This includes contracting with vendors to provide training that may later be offered by NUTS. However, your responsibilities are to provide appropriate training for employees, as directed by Labor/Management Craft Committee guidelines established for Apprenticeships or as approved by the Transmission Field Services Management Team, under whom these employees work. Further, the training is funded through the Management Team and its concurrence in the training regimen is critical. The training that you are responsible for is generally delivered by your internal training staff, however, some training is delivered by contract training providers. These contract providers are procured through a competitive process that is managed by BPA's contracting staff. Any deviation from the competitive bidding process requires approval from the Vice President for Transmission Field Services.

DOE views your participation on the NUTS Board of Directors as advantageous in that you will be able to express the Government's interests and needs in an effort to influence the types of course offerings and training props being developed. With your knowledge of BPA's current and future employee needs, you can seek to influence the NUTS training program for the benefit of BPA and the larger utility community. As BPA operates 75 percent of the high voltage transmission assets in the Pacific Northwest and markets 45 percent of the power; BPA can reap benefits through supporting initiatives in educating and training trade and craft employees in new technology and safe work practices that will be consistent throughout the Northwest. Further, it can reduce its costs by not having to invest in infrastructure, technology, staff, equipment or other requirements, but, instead, collaborating with the larger utility community to share the burden of such necessary training.

### **Waiver Requirements**

As a member of the governing body of NUTS, the financial interests of NUTS are imputed to you under 18 U.S.C. § 208. However, absent a waiver, you are prohibited from participating in any particular matter that would have a direct and predictable effect on the financial interest of NUTS. Section 208(b)(1) provides that subsection (a) shall not apply if the employee or officer first advises the Government official responsible for appointment to his position of the nature and circumstances of the particular matter, makes full disclosure of the financial interest, and receives in advance a written determination from that official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such employee or officer.

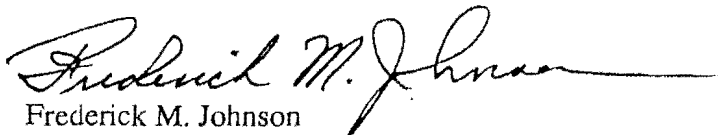
I have considered the following facts in reaching my decision to allow your participation as a member of the NUTS Board in your official capacity:

1. Your financial interest in NUTS is no greater than the other representatives and your vote will be one of 15-23 members;

2. The importance of having BPA's training skills needs communicated by someone whose training expertise can assure quality outcomes for DOE employees;
3. BPA's utilization of the NUTS training facility and courses will be over sighted by the Management Team that you serve;
4. In your supervisory capacity, you will be involved in the oversight of a variety of training services, and conferring with your staff on training needs for the trades and craft workers in the Transmission Field Services group;
5. As your supervisor, I will make the final decision on the vendor chosen for any contract procurement action that involves NUTS as a competitive bidder or sole source as a training provider of training that is delivered to BPA's employees;
6. You will not participate directly in procuring services from NUTS, or the selection of any contractor in competition with NUTS; and
7. You may participate in arranging training at NUTS that does not result in a cost to BPA.

### Conclusion

Accordingly, pursuant to 18 U.S.C. 208(b)(1), I have determined that your imputed financial interest in NUTS, as a member of its Board of Directors, is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from you. Under the terms of this waiver, you must refrain from participating in Departmental business that will have a direct and predictable effect upon the financial interests of NUTS. For example, you may not participate in any decisions that the Department/BPA may make to provide funding or resources to NUTS, or the award of a contract whether sole source or competitive. In addition, you may not represent NUTS before the Federal Government where there is an intent to influence the Government.

  
Frederick M. Johnson  
Vice President, Transmission Field Services

cc:  
S. Wadel – GC-77  
Official File – TF (MN-6)

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## Department of Energy

Washington, DC 20585

JUN 30 2010

MEMORANDUM FOR: DONALD L. COOK  
DEPUTY ADMINISTRATOR FOR DEFENSE  
PROGRAMS  
NATIONAL NUCLEAR SECURITY  
ADMINISTRATION (NNSA)

FROM: SUSAN F. BEARD *SFBeard*  
ASSISTANT GENERAL COUNSEL FOR GENERAL  
LAW AND DESIGNATED AGENCY ETHICS  
OFFICIAL  
OFFICE OF THE GENERAL COUNSEL

SUBJECT: Limited Waiver of Paragraph 2 of the Ethics Pledge for  
non-monetary specific party matters involving Sandia  
Corporation and general budgetary matters involving  
Defense Programs

Pursuant to the authority delegated under Section 3 of Executive Order 13490 "Ethics Commitments by Executive Branch Personnel" (January 21, 2009) and after consultation with the Counsel to the President, I hereby certify, for the reasons stated below, that it is in the public interest for you to receive a limited waiver of the restrictions of paragraph 2 of the Ethics Pledge as Deputy Administrator for Defense Programs of the National Nuclear Security Administrator (NNSA).

You were previously employed by Lockheed Martin as the Managing Director, Chief Executive Officer, and Special Advisor of the Atomic Weapons Establishment (AWE) and as a President of a Lockheed Martin Company since March of 2006. AWE is a UK government-owned establishment that is managed and operated by a private company in which Lockheed Martin is a member. You advise that you did not have any job responsibilities related to Sandia Corporation since beginning your job responsibilities at the AWE.

The position of Deputy Administrator for Defense Programs (Deputy Administrator) was established pursuant section 3214 of Public Law 106-65, codified at 50 U.S.C. § 2404, to manage the Stockpile Stewardship Program. As Deputy Administrator, your responsibility is to maintain and enhance the safety, reliability, and performance of the United States nuclear weapons stockpile through design, production, and testing. You are further responsible for directing, managing, and overseeing the nuclear weapons production facilities and the national security laboratories. Sandia National Laboratories, along with Lawrence Livermore National Laboratory, Los Alamos National Laboratory, Kansas City Plant, Pantex Plant, Y-12, and Savannah River Site are managed by the Deputy Administrator. Sandia Corporation is a wholly owned subsidiary of Lockheed Martin and the management and operations contractor of Sandia National Laboratories.



Therefore, as the nuclear stockpile manager for these laboratories, it would be untenable to recuse you from all matters related to Sandia Corporation.

Absent a waiver, you would be prohibited by paragraph 2 of the Ethics Pledge from participating in any particular matter involving specific parties in which either Lockheed Martin or Sandia Corporation, a wholly owned subsidiary of Lockheed Martin, is or represents a party. Your knowledge of the nuclear weapons landscape and expertise in nuclear security and safety are essential to the United States nuclear weapons program. Your ability to engage in such decision-making about the future of NNSA's weapons program is in the public interest and fundamental to NNSA's ability to remain in the forefront of nuclear security. This limited waiver is granted with the understanding that you will comply with the restrictions set forth below. Through this limited waiver, I authorize you to participate in non-monetary specific party matters involving Sandia Corporation and general budgetary matters involving Defense Programs. This includes your participation in the day-to-day operations of Sandia Laboratories, including the management and performance of program activities and facilities operations carried out in support of the Stockpile Stewardship Program. Further, I authorize you to engage in one-on-one conversations with Sandia management on these matters, which could involve discussions on personnel involved in Sandia's stewardship program activities. Furthermore, I authorize you to serve as a member of the NNSA Management Council and the activities associated with Program and Project Management for the administration of the NNSA complex when the Administrator is unavailable. And finally, I authorize you to participate in the activities associated with Program and Project Management for the Acquisition of Capital Assets.

However, this limited waiver does not authorize you to participate in the following aspects of particular matters involving specific parties in which Sandia Corporation is a party or represents a party: (1) any evaluation of the work performed; (2) any award fee process; (3) any extension of the contract; (4) any recompetition of the contract; (5) negotiations affecting Sandia Corporation's financial arrangements between Sandia and the Department of Energy (e.g. work authorizations, new work awards outside of the M & O contract, cooperative agreements, grants, work for others, personnel matters requiring additional financial commitments, etc.); (6) contract disputes; and (7) site split budgetary matters or budgetary matters unique to Sandia Corporation. The authorization does not extend to particular matters affecting Lockheed Martin Corporation uniquely and specifically.

This limited waiver does not affect your obligation to comply with other provisions of the Ethics Pledge or with all other pre-existing government ethics rules.

**WAIVER FOR LARRY A. CHAPMAN PURSUANT TO 18 U.S.C. 208(b)(1)**

Section 208, title 18, United States Code, prohibits employees from participating personally and substantially, as Government employees, in any particular matter in which, to the employee's knowledge, a financial interest is held by the employee, a spouse, minor child, general partner, any organization in which the employee is serving as officer, director, trustee, general partner, or employee, or any person or organization with whom the employee is negotiating or has any arrangement concerning prospective employment. This participation prohibition not only covers such items as contracts, grants, cooperative agreements, and claims, but also includes legislation and policy-making that is focused upon the interests of specific persons, or a discrete and identifiable class of persons.

The statute does not bar an employee from having any particular financial interest, but it does require an employee to refrain from participating in matters which would affect such interests. In a case where a conflicting financial interest exists, an employee may act in his official capacity only "if the officer or employee first advises the Government official responsible for appointment to his or her position of the nature and circumstances of the particular matter and makes full disclosure of the financial interest and receives in advance a written determination made by such official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such officer or employee." 18 U.S.C. §208(b)(1).

You have requested a waiver pursuant to that section to allow you to participate in particular matters affecting your financial interests. This waiver is issued based upon the information you have provided me regarding the nature and circumstances of the potential particular matters involved within your position description and your full disclosure of your financial interests.

You are an Industrial Relations Specialist in the Office of the Assistant Manager for Administration in the Richland Operations Office of the Department of Energy. In your position, you are required to review and evaluate contractor pension and benefit programs, and evaluate compliance with DOE policies and procedures for those programs. This entails ensuring that contractors comply with the requirements set forth in DOE Order 350.1. The requirements in this Order pertain to pension, health, and welfare benefit programs which are provided as cost reimbursable work under contracts with the major contractors at DOE's Hanford Site. You perform cost-benefit studies of welfare and benefit proposals or changes thereto, and review audit reports and other documents prepared by contractors to ensure they meet Internal Revenue Service or ERISA requirements. You then recommend to your team leader contract language to implement DOE Order 350.1 requirements in new contracts and solicitations. You have advised that your official duties are highly unlikely to affect CH2MHill Hanford Group Inc.'s performance rating on future contracts. It is foreseeable, however, that you will be asked to participate in the review and evaluation of pension and benefit programs which are administered by CH2MHill Hanford Group Inc.

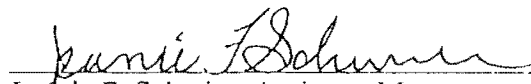
Your spouse is employed by CH2MHill Hanford Group Inc. as an executive assistant in the engineering group. You advised that you do not oversee the office to which your spouse is assigned and you do not evaluate her performance. Thus, your actions do not affect your



CH2MHill Hanford Group Inc. is a subsidiary of CH2MHill which is organized as an Employee Stock Owned Company (ESOP). Your spouse was given a small amount of CH2MHill ESOP stock as part of the company's general employee stock ownership program. This was a one time distribution and she does not anticipate receiving additional stock. The value of this ESOP stock owned by your spouse is approximately [redacted] For purposes of 18 U.S.C. 208, this financial interest is imputed to you. It is foreseeable that your official duties will require your participation in matters affecting CH2MHill or its subsidiaries or affiliates including CH2MHill Hanford Group Inc. Therefore, a waiver of section 208, in accordance with 18 U.S.C. 208(b) is required if you are to work on such matters, especially the review and evaluation of pension and benefit programs which are administered by CH2MHill Hanford Group Inc.1 (b)(3)

As the official responsible for appointing you to your position, I have determined that your otherwise disqualifying financial interest is not so substantial as to be deemed likely to affect the integrity of your services to the Government. This determination is made based upon the following facts: 1) the assets your spouse holds were acquired as part of a general plan of CH2MHill for distribution of shares in the company to employees as an ESOP organized company; 2) the value of the ESOP stock is minimal, having a value on the order of [redacted] 3) (b)(6) the value of the ESOP stock is not more than [redacted] of the total value of your total assets; 4) (b)(6) your spouse does not have a defined benefit pension plan administered by CH2M Hill Hanford Group Inc. or CH2M Hill; 5) your official actions will not affect the stock value; 6) your official duties are highly unlikely to affect CH2MHill Hanford Group Inc.'s performance rating on future contracts; 7) you do not oversee the office in which your spouse is assigned and you do not evaluate her performance; and 8) the disqualifying financial interest in this matter is not so substantial as to be deemed likely to affect the integrity of your services to the Government.

The Office of Government Ethics has been consulted in this waiver, and an executed copy will be provided to them as required by 5 CFR 2640.303.

  
Jennie F. Schwier, Assistant Manager  
(for Administration)  
Richland Operations Office

5-9-07  
Dated

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1 The holdings in CH2MHill ESOP stock do not exceed the regulatory de minimis exemption of \$15,000 that would apply if this were a publicly traded stock. The regulatory exemption, however, does not apply to stock that is not publicly traded.



Department of Energy  
Washington, DC 20585

February 22, 2010

MEMORANDUM FOR: ADA MITRANI  
TRIAL ATTORNEY

FROM: MARC JOHNSTON  
DEPUTY GENERAL COUNSEL  
FOR LITIGATION

SUBJECT: WAIVER PURSUANT TO 18 U.S.C. § 208(b)(1)

Section 208, Title 18 of the United States Code prohibits employees from participating personally and substantially, as Government employees, in any particular matter in which, to the employee's knowledge, a financial interest is held by the employee, a spouse, minor child, general partner, any organization in which the employee is serving as an officer, director, trustee, general partner, or employee, or any person or organization with whom the employee is negotiating or has any arrangement concerning prospective employment. This participation prohibition not only covers such items as contracts, grants, cooperative agreements, and claims, but it also includes legislation and policy-making that is focused upon the interests of specific persons, or a discrete and identifiable class of persons.

The statute does not bar an employee from having any particular financial interest, but it does require an employee to refrain from participating in matters which would affect such interests. In a case where a conflicting financial interest exists, an employee may act in his official capacity only "if the officer or employee first advises the Government official responsible for appointment to his or her position of the nature and circumstances of the particular matter and makes full disclosure of the financial interest and receives in advance a written determination made by such official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such officer or employee." 18 U.S.C. § 208(b)(1).

You have requested a waiver pursuant to that section to allow you to participate in particular matters involving specific parties (e.g., litigation and any subsequent proceedings related to the litigation) affecting your financial interest. This waiver is issued based upon the information you have provided me regarding your official duties and your financial interest.

You are a career employee currently serving as trial attorney in the Office of the Assistant General Counsel for Litigation. In your position, you have been serving as the lead litigation attorney for the Department in a very complex lawsuit involving claims of contract breach with Chevron Corporation. As lead litigation attorney you are involved in the development of the Department's case, which includes, but is not limited to: oral arguments;



development of written briefs; coordination with the U.S. Department of Justice; and coordination with outside counsel in anticipation of administrative appeal or settlement issues.

You have a financial interest in a conflicting asset because your spouse purchased, without your knowledge, [redacted] in Chevron Corporation stock in July 2009. Your official duties require your participation in specific party matters affecting Chevron Corporation. Therefore, you are currently recused from working on those matters until a waiver under 18 U.S.C. § 208(b)(1) is issued or you qualify for an exemption under 5 C.F.R. 2640.202(a). (b)(6)

As the official responsible for appointing you to your position, I have determined that your otherwise disqualifying financial interest is not so substantial as to be deemed likely to affect the integrity of your services to the Government. This determination is made based upon the fact that your entire Chevron stock position represents [redacted] of the total value of your investment portfolio and further, any official actions you take are highly unlikely to significantly change the Chevron stock value. Furthermore, you and your spouse have agreed not to purchase any further Chevron stock (other than dividend reinvestment) during the pendency of these specific party matters affecting Chevron. You and your spouse have also agreed that, during the pendency of such proceedings, you will keep the value of your position in Chevron equal to or less than 5% of your entire investment portfolio, including any dividend reinvestments based on existing shares. This waiver applies solely to your official duties with regard to specific party matters relating to Chevron Corporation. (b)(6)

The Office of Government Ethics has been consulted in this waiver, and an executed copy will be provided to them as required by 5 C.F.R. § 2640.303.

cc: Sue Wadel, GC-77



Department of Energy  
Washington, DC 20585

MEMORANDUM FOR: LINDA STUNTZ  
CHAIR  
ELECTRICITY ADVISORY COMMITTEE

FROM: CLARENCE H. ALBRIGHT, JR.  
UNDER SECRETARY

SUBJECT: CONFLICT OF INTEREST WAIVER PURSUANT TO  
18 U.S.C. § 208(b)(3)

This memorandum responds to your request for a waiver of certain conflict of interest restrictions pursuant to 18 U.S.C. § 208(b)(3). Specifically, you have a financial interest in a American Electric Power and General Electric, the interests of which are likely to be affected by matters under consideration by the Electricity Advisory Committee (EAC or Committee) on which you serve as a special Government employee (SGE).

Section 208(a), Title 18, United States Code, prohibits you from participating personally and substantially, as a Government employee, in any particular matter in which, to your knowledge, you or your spouse, minor child, general partner, or employee, or any person or organization in which you are serving as officer, director, trustee, general partner, or employee, or any person or organization with whom you are negotiating or have any arrangement concerning prospective employment, has a financial interest. This prohibition applies equally to special Government employees (SGEs).<sup>1</sup> Section 208(b)(3) provides that subsection (a) shall not apply if, in the case of a special Government employee (SGE) serving on an advisory committee within the meaning of the Federal Advisory Committee Act (FACA), the official responsible for the SGE's appointment, or his designee, certifies in writing that the need for the employee's service outweighs the potential for a conflict of interest created by the financial interest involved.<sup>2</sup>

You are a member of the EAC, a discretionary committee established pursuant to FACA, 5 U.S.C. App. 2, for the Department of Energy (DOE). The mission of the EAC is to enhance leadership in electricity delivery modernization and assist the DOE's Office of Electricity Delivery and Energy Reliability (OE) in implementing the Energy Policy Act of 2005, the Energy Independence and Security Act of 2007 and modernizing the nation's electricity delivery infrastructure. The Committee will advise the Secretary of Energy by recommending broad programmatic priorities for electricity-related research and development programs; providing advice on policy issues related to electricity reliability and security; providing advice on the

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<sup>1</sup> 18 U.S.C. § 202(a).

<sup>2</sup> On January 29, 2007, the Secretary delegated to me the authority to issue conflict-of-interest waivers for SGEs serving on advisory committees within my official responsibility.

current and future capacity of the electricity system; identifying emerging issues related to capacity, production, delivery, reliability, security, and utility regulation; providing advice on coordination efforts between DOE, State, regional officials, and private sector on matters affecting electricity supply, demand, and reliability; and providing advice on the coordination between Federal, State, and utility industry authorities in the event of supply disruption or other emergencies related to electricity transmission, general, and distribution.

As part of your duties, you will be responsible for providing your expertise to the Department in the area of electricity delivery, reliability, security, and regulation. Specifically, you will analyze the nature of the electricity adequacy issues and provide your expert advice as to future emerging electricity issues. Given your duties and the function of the committee, it is unlikely that you or the committee will be asked to consider particular matters affecting specific parties. Although there may be a few such specific party matters, the committee is more likely to be asked to provide advice on particular matters of general applicability, meaning policy matters that are focused on a discrete and identifiable class of persons or entities.

You own a stock interest in American Electric Power Company, Inc. and General Electric Company with approximate values of [redacted] respectively. Because each of these assets exceeds the de minimis exemption amounts under 5 CFR 2640.202, you are not permitted to participate in particular matters affecting the financial interests of these organizations, unless you first receive a waiver pursuant to 18 U.S.C. § 208(b)(3). American Electric Power Company is a public utility holding engaged in the generation, transmission and distribution of electric power to retail customers, and supplying and marketing of electric power at wholesale to other electric utility companies, municipalities and other market participants. General Electric is a diversified technology, media and financial services company. In relevant part, General Electric provides electrical products and services related to grid and asset management, advanced distribution infrastructure solutions and substation management tools which enable utilities to deliver customer care, system reliability, and operating efficiency. (b)(3)

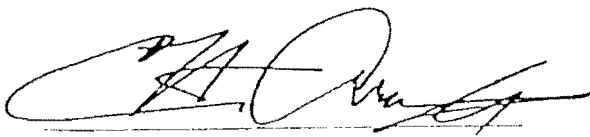
Based on the information you have provided concerning your investment portfolio, your total interests in these assets is approximately [redacted] and represents a maximum of [redacted] percent of your total investment portfolio. Your financial interest in these assets is small relative to the value of your overall investment portfolio and, therefore, is not so substantial as to be deemed likely to affect the integrity of your services to the Government. As the official responsible for approving this waiver, I have determined that the need for your services outweighs the potential for a conflict of interest. (b)(3)

According to the EAC charter, the committee shall consist of experts within their respective field or representatives of entities, including State governments, regional planning entities, utility companies, equipment manufactures, construction and architectural companies, environmental, energy and consumer groups, and other electricity-related organizations. You are being sought to serve on the committee in this role because of your broad experience in energy regulation, as well as matters relating to government support of technology development and transfer. You advised that you have an undergraduate degree from Wittenberg University and a jurist doctor from Harvard University. Currently, you are the founding partner of the law firm

of Stuntz, Davis & Staffier, P.C. in Washington, D.C. Your law practice includes energy and environmental regulation, as well as matters relating to government support of technology development and transfer. In addition, you served as Deputy Secretary of the United States Department of Energy under President George H.W. Bush. In that position, and in other senior policy positions held at the Department between 1989 and 1993, you played a principal role in the development and enactment of the Energy Policy Act of 1992. During both your government service and your private law practice, you have addressed questions arising under the Natural Gas Act, the Natural Gas Policy Act, the Federal Power Act, and the Interstate Commerce Act. You further advised that you frequently serve as an arbitrator in complex cases involving the electric power, natural gas and coal industries. Shortly after law school, you served as Associate Minority Counsel and Minority Counsel to the Energy and Commerce Committee of the U.S. House of Representatives. More recently, you served as a Member of the National Commission on Energy Policy from 2002-2005 and participated in an independent task force on energy and U.S. foreign policy convened by the Council on Foreign Relations. The work product of this task force, "National Security Consequences of United States Oil Dependency," was released on October 12, 2006. It is this expertise that is needed to assess potential barriers to moving forward, including the deployment of grid technologies, research and development of energy storage technologies, renewable energy resource system integration and new transmission infrastructure.

Based on the small percentage these assets represented in your total portfolio, your unique qualifications, extensive knowledge of the electricity industry gained through your experiences in the Federal government and private industry, and your availability to serve on this committee, it is appropriate to issue this waiver. Specifically, I find that the need for your services outweigh the potential for a conflict of interest created by your financial interests in American Electric Power Company and General Electric. This waiver shall apply to particular matters of general applicability affecting American Electric Power Company or General Electric. This waiver does not apply to any particular matter involving specific parties affecting American Electric Power Company or General Electric as party to that matter.

Pursuant to 5 C.F.R. § 2640.303, the Office of Government Ethics has been consulted on this waiver, has no objection to its issuance, and will be provided with a copy of it.



Clarence H. Albright, Jr.  
Under Secretary

5-19-08

Date

cc: Sue Wadel DOE/OGC, GC-77