

# ERM Policy and Procedure for Keystone XL Pipeline Proposal Client Representation Check (“CRC”) in North America

## Supplemental Information

6 July 2012

At ERM, we maintain strong relationships with our clients. We communicate with each other to prevent perceived impropriety, inappropriate use of confidential information, or the perception that ERM has created a conflict between duties owed to different clients. Toward that end, we have developed a procedure to identify client representation issues arising out of potentially sensitive client engagements. This procedure has been followed to ensure that ERM has no conflict with the proposed Keystone XL Pipeline Project.

- Step 1: Internal Research the Target Company of this CRC - as much information as possible is established about the Target Company and context for the project. Global and Key Clients lists are reviewed as well as other internal sales tool resources to see what work (if any) has been done or is ongoing with the Target Company.

TransCanada subsidiaries and affiliates were identified via internet research. The following subsidiaries and affiliates were identified and used in subsequent internal inquiries:

*Keystone Pipeline, ANR Pipeline, ANR Storage Company, TC Pipelines LP, Canadian Mainline, Foothills System, Guadalajara Pipeline, Tamazunchale Pipeline, Great Lakes Transmission Company, Iroquis Gas Transmission System, North Baja, Northern Border Gas Transmission System, Portland Natural Gas Transmission System, Trans Quebec and Maritimes Pipeline, Tuscarora Gas Transmission, Gas Transmission Northwest, Bison Pipeline, Cartier Wind Energy, CrossAlta Gas Storage & Services Ltd., Portland Energy Centre.*

- Step 2: A CRC email inquiry is sent to key business unit leaders, practice leaders, and other appropriate key personnel throughout ERM.

This inquiry was sent to business unit leaders throughout ERM’s North American operations, including senior practitioners and managers in the US and Canada, with a focus on those practitioners involved in our transaction services and impact assessment and planning practices.

- Step 3: Responders (a) check ERM’s client databases, (b) confidentially check ERM’s institutional knowledge of the particular company, and (c) respond with information regarding what work ERM has done, or is doing, with the company.

ERM uses an enterprise-wide client relationship management program (SalesForce), which all senior practitioners have access to and are required to use to track business and client development activities. A search of the SalesForce database indicated no current marketing or proposal activities with TransCanada.

In addition to its client development program, ERM globally manages all of its consulting service work through a web-based tool called the Global Management System (GMS). All ERM projects are entered into and managed through GMS, including time and cost entry, budgeting, and invoicing. As part of this CRC, the GMS database was searched and no projects for TransCanada were identified.

- Step 4: “Follow up” communications with ERM staff are completed as needed and any additional research is performed.

The only activity noted from our business unit and practice area leaders was a COI inquiry from TransCanada several months ago regarding a potential asset acquisition it was considering. We have done no work for TransCanada relative to that request. Some project team members have provided services on TransCanada projects while working for a previous employer.

