IN THE MATTER OF AN ARBITRATION

BETWEEN

INDEPENDENT ELECTRICITY SYSTEM OPERATOR

(the “IESO”)

and

THE SOCIETY OF ENERGY PROFESSIONALS

(the “Society”)

SOLE MEDIATOR-ARBITRATOR: John Stout

APPEARANCES:

For the IESO:
Richard J. Charney, Norton Rose LLP

For the Society:
Nadia Lambek, Cavalluzzo LLP

WRITTEN SUBMISSIONS RECEIVED ON JUNE 9, 2016

AWARD

[1] I was appointed as mediator-arbitrator by the parties to assist them in resolving a dispute arising from the IESO's recent introduction of a revised *Code of Conduct*.

[2] On March 28, 2016 I issued an award making the following findings at paragraphs 79 and 80:

- Therefore, I find that the revised *Code of Conduct's* PFI provisions are not reasonable unless employees, spouses, partners and dependent children are compensated for the one time reasonable costs associated with divesting themselves of any holdings that would have been acceptable under the former IESO and former OPA Codes of Conduct. To be clear, I am not of the view that it is necessary for the IESO to reimburse employees for any costs associated with setting up a blind trust or other vehicle to hold prohibited securities. It is only the one time costs of divestiture that needs to be reimbursed in order for the PFI provisions to be reasonable.

- In terms of the requirement to report a conflict to a supervisor, I agree with the Society that the current language is confusing. The language ought to be made clear that any disclosure of a conflict or potential conflict, including financial information ought to be directed to the IESO legal services business unit.

[3] On June 9, 2016 I was contacted by the parties seeking clarification of two points:

- Do the reasonable costs of divestiture include capital loses?

- If the *Code of Conduct* clearly states that an employee would not be required to disclose personal and private information to their supervisor, would it be reasonable to require an employee to advise their supervisor of a potential conflict because it might affect the delegation of work?

[4] After carefully considering the parties' submissions I am providing the following clarifications

- The reasonable costs associated with divestment do not include capital loses.

- Assuming that the *Code of Conduct* is revised to clearly state that no personal and confidential information needs to be disclosed to a supervisor, it is reasonable to require an employee to advise their supervisor of a conflict that might impact upon the delegation of work.

[5] I remain seized to deal with any errors or omissions and the implementation of this award.

Dated at Toronto, Ontario this 16th day of June, 2016.

John Stout – Mediator-Arbitrator