

## 5.02.000-P Conflict of Interest Reporting and Disclosure Policy

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<b>History</b>			
<b>Source</b>	<b>Date</b>	<b>Action/Notes</b>	<b>Next Review Date</b>
Board Decision	October 24, 2001	Approved (R51)	As needed
Board Decision	May 22, 2002	Revised (R103)	As needed
Board Decision	June 7, 2017	Amended (R805)	As needed
Board Decision	July 15, 2020	Revised (R913)	3-yr cycle

### **Reporting:**

Annually, all members of the Energy Trust board of directors and staff members of the Executive Team are required by law to disclose on forms provided by Energy Trust the existence of any interests that may be deemed a direct or indirect conflict of interest with Energy Trust business. For this purpose, disclosure requirements are specified in ORS 757.612(3)(g)(B), as amended in 2009, which requires the officers and directors of the entity that administers funds collected through public purpose charges (Energy Trust) to provide annual disclosures of economic interest to the OPUC by April 15 every year, to be made available for public review. The disclosures are to be similar to the statement of economic interest required for public officials under ORS 244.060.

All officers and members of the Energy Trust board of directors also have an ongoing obligation to disclose direct or indirect actual or potential conflicts of interest as described below.

### **Transactional Conflicts of Interest:**

Whenever any member of the board of directors first becomes aware that they have or may have any direct or indirect actual or potential conflict of interest with Energy Trust concerning any matter that is before the board of directors, that member shall promptly disclose the existence of that conflict of interest to the board of directors, whether or not the conflict has been previously disclosed in an annual report to the president. Full disclosure of the nature and details concerning the conflict is encouraged but not required, so long as the existence of the conflict is disclosed. Any such disclosure shall be duly recorded in the minutes. If the member makes full disclosure of the nature and details of the conflict, the member may thereafter engage in any discussion on the matter and may vote, unless the board of directors believes that the nature and extent of the conflict of interest warrants the director's exclusion from either or both of the discussion and vote. If the member does not make full disclosure, they thereafter must leave the meeting during any discussion or vote on the matter.

"Direct or indirect conflict of interest," for purposes of transactional disclosure, means any situation in which an individual has or may be construed to have a direct or indirect personal or financial relationship in any business affairs of the corporation, whether related to a proposed contract or transaction to which the corporation may be a party or may be considering or simply conceptual because of a similarity of business interests or affairs.

For purposes of transactional disclosure, a financial relationship includes any of the following relationships:

- a. One person is employed by the other in a sole proprietorship or by an organization with which the other is associated as a trustee, director, officer, key employee, or greater-than-35% owner.
- b. One person is transacting business with the other (other than in the ordinary course of either party's business on the same terms as are generally offered to the public), directly or indirectly, in one or more contracts of sale, lease, license, loan, performance of services, or other transaction involving transfers of cash or property valued in excess of **\$10,000** in the aggregate during the organization's tax year. (Indirect transactions are transactions with an organization with which the one person is associated as a trustee, director, officer, key employee, or greater-than-35% owner).
- c. The two persons are each a director, trustee, officer, or greater than 10% owner in the same business or investment entity.

Examples of direct or indirect conflict of interests which require transactional disclosure include but are not limited to the following scenarios:

- The director, a member of their household, or close business or personal acquaintance is personally involved in an existing or contemplated transaction, or has an employment or other financial relationship with an organization or person with which the corporation is currently or anticipating dealing.
- The director, a member of their household, or a close business or personal acquaintance is personally involved in or has an employment or other financial relationship with any organization or person that may be interested in confidential information about the corporation or its activities or operations.

**Fundamental Conflicts of Interest:**

There are conflicts of interest that cannot be avoided that preclude board service and do not require board determination. Excluding the ex officio member from the Oregon Public Utility Commission and the Oregon Department of Energy special advisor, these conflicts include and are not limited to being an employee of one of Energy Trust's funding utilities, or a representative of a policy making body that oversees the setting and implementation of policies that ultimately fund Energy Trust.

**Compliance and Attestation:**

Members of the board of directors will automatically be deemed to have agreed to comply with this policy by accepting appointment to the board of directors.

This policy is to be implemented in tandem with the Policy on Principles of Conflict of Interest 5.02.001-P).