

Conflict of Interest Standard for Federal Department of Energy (DOE) Financial Assistance Awards

SUMMARY

The intent of this standard is to ensure that the Project, as defined herein, will be free from bias resulting from financial conflicts of interest or organizational conflicts of interest, in accordance with the Department of Energy Interim Conflict of Interest Policy Requirements for Financial Assistance (DOE COI Policy) pursuant to 2 CFR part 910, Department of Energy (DOE) Financial Assistance Regulations and 2 CFR part 200.

Coworkers working on projects funded in whole or in part with Federal financial assistance from the Department of Energy, and *identified as Investigators* as defined by this standard, must disclose any potential conflict of interest to their leader and to the designated official, Jeannie Montag, Director, Ethics Programs, Training & Communications.

If you have questions or need further guidance about any topic in this standard, please talk to your supervisor or contact the PG&E Ethics & Compliance Helpline at EthicsComplianceHelp@pge.com.

TARGET AUDIENCE

This standard applies to coworkers of PG&E Corporation or any of its affiliates or subsidiaries, including Pacific Gas and Electric Company, who work on projects funded in whole or in part with Federal financial assistance from the Department of Energy.

REQUIREMENTS

1 Designated Official

1.1 PG&E has designated Jeannie Montag as the Designated Official to solicit and review disclosures of significant financial interests pursuant to this Standard.

1.2 The Designated Official has the following responsibilities:

- (a) Review completed disclosures for Investigators of PG&E and applicable subrecipients and determine if a financial conflict of interest (FCOI) exists;
- (b) If an FCOI exists, prepare and monitor a FCOI management plan pursuant to Section 4 of this Standard;
- (c) Prepare and submit any FCOI reports as required by DOE;
- (d) Review and determine if an Organizational Conflict of Interest exists pursuant to Section 6 of this Standard.
- (d) Maintain records pursuant to Section 7 of this Standard.

2 Investigator Training

2.1 Investigators will complete training on this Standard prior to engaging in Projects relating to any DOE financial assistance award and at least every four (4) years, and immediately when any of the following circumstances apply:

- (a) Updates to this Standard that affect the requirements of Investigators;
- (b) An Investigator is new to PG&E;
- (c) Upon a finding of noncompliance with this Standard.

3 Process to Disclose Actual or Potential Conflict of Interest

3.1 Investigators subject to this Standard shall complete a Significant Financial Interest Disclosure Form attached to this Standard as Appendix A to disclose fully and complete their significant financial interest, as defined herein, and update in the following circumstances:

- (a) Prior to participating in a DOE award;
- (b) Annual Basis;
- (c) Promptly following any changes to the initial disclosure;
- (d) Within 30 days of discovering or acquiring a FCOI;
- (e) Upon request by PG&E, including, but not limited to for the purpose of the application for a DOE award.

3.2 If it is discovered that a FCOI was not disclosed timely or not previously reviewed, the Designated Official will conduct a retrospective review of the period of noncompliance and document such review within 120 days of the disclosure. The retrospective review must include, but is not limited to, the following:

- (a) DOE award number;
- (b) Project title;
- (c) Principal Investigator name and contact information;
- (d) Name of Investigator with FCOI;
- (e) Name of the entity with which the Investigator has a FCOI;
- (f) Reason(s) for the retrospective review;
- (g) Detailed methodology used for the retrospective review, including, but not limited to the methodology of the review process and documents reviewed;

(h) Findings and conclusions of the review.

4 FCOI Management

4.1 Prior to the expenditure of any funds under a DOE award, the Designated Official shall review all Investigator disclosures and determine whether any FCOI exists.

4.2 Upon a finding of a FCOI, the Designated Official will develop and implement a management plan to manage such FCOI, including, but not limited to one or more of the following conditions and restrictions:

- (a) Public disclosure of the financial conflict of interest (e.g., when presenting or publishing the project);
- (b) For projects involving human subjects, disclosure of financial conflicts of interest directly to participants;
- (c) Appointment of an independent monitor or oversight committee capable of taking measures to protect the purpose, design, conduct, and reporting of the project against bias resulting from the financial conflict of interest;
- (d) Modification of the project plan;
- (e) Change of personnel or personnel responsibilities, or disqualification of personnel from participation in all or a portion of the project; (vi)
- (f) Reduction or elimination of the financial interest (e.g., sale of an equity interest);
or
- (g) Severance of relationship(s) that create financial conflicts of interest.

4.3 The Designated Official will monitor any FCOI Management Plan on an ongoing basis until the completion of the relevant DOE award.

5 Organizational Conflict of Interest

5.1 The Designated Official will take appropriate steps to recognize and avoid Organizational Conflicts of Interest, including reviewing procurements and transactions to determine whether an organization conflict of interest exists, as defined herein.

6 Subrecipient Financial Conflict of Interest

6.1 If PG&E utilizes Subrecipients to carry out the DOE award, PG&E will take reasonable steps to ensure each Subrecipient Investigators comply with this Standard by incorporating as part of a written agreement with the Subrecipient terms that establish whether this Standard or the COI policy of the Subrecipient will apply to the Subrecipient's Investigators.

(a) If the Subrecipient's Investigators must comply with their own policy, the Subrecipient must certify as part of the agreement referenced above that their policy complies

with this DOE Interim COI Policy and the Subrecipient will make such policy available via a publicly accessible website. If the Subrecipient does not have any current presence on a publicly accessible website (and only in those cases), the Subrecipient shall make its written policy available to any requestor within 5 business days of a request.

(b) If the Subrecipient's Investigators must comply with their own policy, the agreement referenced above will specify time period(s) for the Subrecipient to report all identified FCOI to the Company. Such time period(s) will be sufficient to enable the Company to provide timely FCOI reports, as necessary, to DOE.

(c) If the Subrecipient's Investigators must comply with this Standard, the agreement referenced above will specify time period(s) for the Subrecipient to submit all Investigator disclosures of significant financial interest to the Company. Such time period(s) will be sufficient to enable the Company to comply with its review, management, and reporting obligations under this DOE Interim COI Policy.

6.2 PG&E will provide FCOI reports to the DOE program office regarding all FCOI of all Subrecipient Investigators consistent with this policy.

7 Recordkeeping

7.1 The Ethics & Compliance Helpline will maintain records relating to all Investigator disclosures and the review of and response to such disclosures regardless of whether a COI determination was made for the time period specified in 2 CFR 200.334 or otherwise specified in the individual award terms and conditions.

8 Enforcement

8.1 Failure to comply with this Standard may result in disciplinary action or termination of employment.

DEFINITIONS

Financial conflict of interest (FCOI) means a situation in which an Investigator or the Investigator's spouse or dependent children has a significant financial interest or financial relationship that could directly and significantly affect the design, conduct, reporting or funding of a project.

Financial interest means anything of monetary value, whether or not the value is readily ascertainable.

Investigator means the principal Investigator (PI) and any other person, regardless of title or position, who is responsible for the purpose, design, conduct, or reporting of a project funded by DOE or proposed for funding by DOE, or individuals otherwise identified by DOE for a particular award.

Organizational conflict of interest means a situation where because of relationships with a parent company, affiliate, or subsidiary organization, PG&E is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

Potential conflict of interest exists when an impartial observer reasonably believes that actual or apparent past, present, or currently planned interests could constitute a conflict of interest with a project funded under a DOE award.

Project means the interdependent activities funded wholly or in part under the DOE financial assistance award. A project has a defined start and end point with objectives described in an application or in an approved scope that, when attained, signify completion and achievement of a specific goal, and creation of a unique product, service, or result. For awards that include recipient cost share as part of the approved budget, activities funded with that recipient cost share are included.

Principal Investigator (PI) means a principal investigator of a project funded under a DOE financial assistance award; PI is included in the definitions of senior/key personnel and Investigator.

Senior/key personnel means the PI; any other person who significantly influences the design, conduct, or reporting of a project funded under a DOE award; and any other person identified as senior/key personnel by PG&E in the application for financial assistance, approved budget, progress report, or any other report submitted to the DOE.

Significant financial interest means:

- (1) A financial interest consisting of one or more of the following interests of the Investigator (and those of the Investigator's spouse and dependent children) that reasonably appears to be related to the Investigator's responsibilities at PG&E:
 - i. If the value of any remuneration received from an entity in the twelve months preceding the disclosure and the value of any equity interest in an entity as of the date of disclosure, when aggregated, exceeds \$5,000. For purposes of this definition, remuneration includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship); equity interest includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value;
 - ii. Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.
- (2) The occurrence of any reimbursed or sponsored travel (i.e., that which is paid on behalf of the Investigator and not reimbursed to the Investigator so that the exact monetary value may not be readily available) related to their institutional responsibilities that is not otherwise disclosed in current and pending or other support disclosures. This does not include that is reimbursed or sponsored by a Federal, state, or local government agency of the United States; a domestic Institution of Higher Education; or a domestic research institute that is affiliated with a domestic Institution of Higher Education.

- (3) The term significant financial interest does not include the following types of financial interests: salary, royalties, or other remuneration paid by PG&E to the Investigator if the Investigator is currently employed by PG&E.



APPENDIX A

US Department of Energy Significant Financial Interest Disclosure Form

Each Investigator participating in a Department of Energy award must disclose significant financial interests (and those of the Investigator's spouse and dependent children) at least annually. Such disclosure shall include any information that was not disclosed subsequently. Disclosure of significant financial interests must be submitted within thirty days of discovering or acquiring (e.g., through purchase, marriage, or inheritance) a new significant financial interest.

Date: _____

DOE Award #: _____

Awarding Agency: _____

Project Title: _____

1. Do you (or dependent children/spouse) have a significant financial interest, including any remuneration, ownership interest, or travel funding, with entities, excluding Federal, state, and local government agencies, that may be impacted by the work PG&E is doing under this grant award?

See Reverse for a definition of significant financial interest.

I have read the definition of significant financial interest on the reverse side of this form and have no significant financial interest to report.

I have the following significant financial interest to report:

(Attach additional sheets as necessary)

2. Are you aware of any other financial relationships or facts or circumstances that could directly and significantly affect PG&E's ability to perform its work under this grant award?

I am not aware of any such financial relationships, facts, or circumstances.

I am aware of the following financial relationships, facts, or circumstances:

(Attach additional sheets as necessary)

Submit completed form to the PG&E Ethics & Compliance Helpline at EthicsComplianceHelp@pge.com.

I understand that this Disclosure is required to obtain funding from the U.S. Government. I, [], certify to the best of my knowledge and belief that the information contained in this Disclosure Statement is true, complete, and accurate. I understand that any false, fictitious, or fraudulent information, misrepresentations, half-truths, or omissions of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims, or otherwise. (18 U.S.C. §§ 1001 and 287, and 31 U.S.C. 3729-3730 and 3801-3812). I further understand and agree that (1) the statements and representations made herein are material to U.S. Government's funding decision, and (2) I have a responsibility to update the disclosures during the period of performance of the award should circumstances change which impact the responses provided above.

Signature _____ Date: _____

Department of Energy Interim Conflict of Interest Policy

Significant financial interest means:

(1) A financial interest consisting of one or more of the following interests of the Investigator (and those of the Investigator's spouse and dependent children) that reasonably appears to be related to the Investigator's non-Federal entity responsibilities: (i) With regard to any foreign or domestic publicly traded entity, a significant financial interest exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure and the value of any equity interest in the entity as of the date of disclosure, when aggregated, exceeds \$5,000. For purposes of this definition, remuneration includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship); equity interest includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value; (ii) With regard to any foreign or domestic non-publicly traded entity, a significant financial interest exists if the value of any remuneration, not otherwise disclosed as current, pending, or other support, received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or when the Investigator (or the Investigator's spouse or dependent children) holds any equity interest (e.g., stock, stock option, or other ownership interest); (iii) Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.

(2) Investigators also must disclose the occurrence of any reimbursed or sponsored travel (i.e., that which is paid on behalf of the Investigator and not reimbursed to the Investigator so that the exact monetary value may not be readily available) related to their institutional responsibilities that is not otherwise disclosed in current and pending or other support disclosures, provided that this disclosure requirement does not apply to travel that is reimbursed or sponsored by a Federal, state, or local government agency of the United States; a domestic Institution of Higher Education; or a domestic research institute that is affiliated with a domestic Institution of Higher Education. The non-Federal entity's FCOI policy will specify the details of this disclosure, which will include, at a minimum, the purpose of the trip, the identity of the sponsor/organizer, the destination, and the duration. In accordance with the non-Federal entity's FCOI policy, the non-Federal entity official(s) will determine if further information is needed, including a determination or disclosure of

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monetary value, in order to determine whether the travel constitutes a FCOI with the project funded under the DOE award.

(3) The term significant financial interest does not include the following types of financial interests: salary, royalties, or other remuneration paid by the non-Federal entity to the Investigator if the Investigator is currently employed or otherwise appointed by the non-Federal entity, including 6 intellectual property rights assigned to the non-Federal entity and agreements to share in royalties related to such rights; any ownership interest in the non-Federal entity held by the Investigator, if the non-Federal entity is a commercial or for-profit organization; income from investment vehicles, such as mutual funds and retirement accounts, as long as the Investigator does not directly control the investment decisions made in these vehicles; income from seminars, lectures, or teaching engagements sponsored by a Federal, state, or local government agency of the United States, a domestic Institution of Higher Education, or a domestic research institute that is affiliated with a domestic Institution of Higher Education; or income from service on advisory committees or review panels for a Federal, state, or local government agency of the United States, a domestic Institution of Higher Education, or a domestic research institute that is affiliated with a domestic Institution of Higher Education.

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