



**ENMAX POWER CORPORATION  
AND  
ENMAX ENERGY CORPORATION**

**CODE OF CONDUCT**

**COMPLIANCE PLAN**

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# PART 1 INTERPRETATION

## 1. Definitions

In this document

- a) "**Act**" means the *Electric Utilities Act* (R.S.A. 2003, c. E-5.1), as amended or replaced from time to time.
- b) "**Affiliated Retailer**" means an entity that provides Retail Electricity Services to Customers and is an affiliate of an Owner; shares office space or equipment with the Owner, accesses or uses an Owner's computer or information systems or jointly employs or engages persons with the Owner or otherwise constitutes an "affiliated retailer" as that term is defined in the Code of Conduct; a Retailer is an affiliate of the Owner if it is the Regulated Rate Provider authorized by that Owner (ENMAX Energy, Valeo Power, ENMAX Commercial Energy Marketing Inc. and those entities who perform any or all of their functions);
- c) "**AMPS**" means the Association of Municipal Power Systems, which in the context of this document is comprised of the Town of Fort Macleod, the Town of Cardston, the Town of Ponoka, and the Municipality of Crowsnest Pass;
- d) "**AUC**" means the Alberta Utilities Commission established under the *Alberta Utilities Commission Act* (R.S.A. 2007, c.A-37.2) and its successor under law, if any;
- e) "**CICA Handbook**" means the handbook published by the Canadian Institute of Chartered Accountants, as amended from time to time;
- f) "**Code of Conduct**" means the Code of Conduct Regulation (A.R. 160/2003) as amended from time to time;
- g) "**Cognera**" means Cognera Corporation, an unaffiliated third party contractor;
- h) "**Contact Centre**" means the office from which RRO and Retail Electricity Services Customer contacts are managed. The Contact Centre staff, comprised of ENMAX Encompass Personnel, handle inquiries received via telephone, email, and written correspondence.
- i) "**Control Centre**" means the ENMAX Power employees to whom power outages and power interruptions are reported in the Calgary service area of ENMAX Power through a twenty four (24) hour, 7 day a week telephone number;
- j) "**Compliance Plan**" or "**Plan**" means this ENMAX Power and ENMAX Energy Compliance Plan;
- k) "**Customer**" means a person purchasing electricity for that person's own use;
- l) "**Customer Information**" means information that is not available to the public and that is uniquely associated with a Customer, could be used to identify a Customer or is provided by a Customer to an Owner;
- m) "**ENMAX**" means ENMAX Corporation;

- n) **"ENMAX Encompass"** means ENMAX Encompass Inc.;
- o) **"ENMAX Energy"** means ENMAX Energy Corporation;
- p) **"ENMAX Power"** means ENMAX Power Corporation;
- q) **"Fair Competition Statement"** means the following statement, with the URL and phone number revised as necessary in the event of any change in the contact information provided:
- Print Version: "You can choose any retailer listed at [www.ucahelps.gov.ab.ca](http://www.ucahelps.gov.ab.ca) or at 310-4822. Electricity delivery to your home or business isn't affected by your choice of retailer."
  - Web Version: "You can choose any retailer listed [here](#) [hyperlink to [www.ucahelps.gov.ab.ca](http://www.ucahelps.gov.ab.ca)] or at 310-4822. Electricity delivery to your home or business isn't affected by your choice of retailer.";
- r) **"Market Surveillance Administrator" or "MSA"** means the Market Surveillance Administrator established under the Act, and continued under the *Alberta Utilities Commission Act*, with a mandate of surveillance and investigation to ensure a fair, efficient, and openly competitive market. The MSA has authority to investigate and recommend sanction of market participants for inappropriate market behaviour;
- s) **"Owner"** means the owner of an electric distribution system (ENMAX Power or municipalities - currently AMPS or City of Red Deer - as applicable), or if an Owner makes arrangements under which one or more other persons perform any or all of the duties or functions of the Owner, the Owner and those other persons;
- t) **"Personnel"** means officers, employees, and those contractors, sub-contractors and agents of ENMAX Power and ENMAX Energy, respectively, who are affected by the Compliance Plan, and **"Individual Personnel"** means officer and employee Personnel and the individual employees of Contractor, sub-contractor and agent Personnel;
- u) **"Provide"** includes sell;
- v) **"Regulated Electricity Services"** means electricity services that are provided by an Owner or the access to which or the use of which is controlled by an Owner, and the costs of which are recoverable under a tariff approved by the AUC;
- w) **"Regulated Market Services" or "RMS"** means the group of ENMAX Power Personnel who execute the activities and responsibilities required of the Owner to ensure that ENMAX Power is compliant with the Settlement System Code, Tariff Billing Code, and all relevant regulations and legislation relating to Customer choice and the restructured retail electricity market model in Alberta;
- x) **"Regulated Rate Provider"** means a Retailer authorized by the Owner that provides electricity services to eligible Customers in the Owner's service area under a Regulated Rate Tariff (ENMAX Energy);
- y) **"Regulated Rate Tariff"** means a tariff to which the Regulated Rate Option ("**RRO**") Regulation (A.R. 262/2005), as amended from time to time, applies;

- z) **"Retail Electricity Services"** means electricity services that are provided by a Retailer, but does not include Regulated Electricity Services;
- aa) **"Retailer"** means an Affiliated Retailer or other retailer; and
- bb) **"Valeo Power"** means Valeo Power Corporation.
2. In this Compliance Plan, any Customer who receives electricity services from a "default supplier", as that term is defined in the Roles, Relationships and Responsibilities Regulation, 2003 (A.R. 169/2003), as amended by the Roles, Relationships and Responsibilities Regulation, 2003 Amendment Regulation (A.R.265/2007), is treated in the same manner, for all purposes excluding the actual electricity services provided and including (but not limited to) the handling of that Customer's Customer Information, as a Customer who receives Regulated Electricity Services.

## **A. CORPORATE ORGANIZATION**

### **COMPLIANCE STRUCTURE**

1. ENMAX Power and ENMAX Energy have each appointed the Director, Compliance to be ultimately accountable for their respective compliance with the Code of Conduct and this Compliance Plan, including all reporting required under the Act:

Elizabeth (Liz) L. Soria, P.Eng.  
Director, Compliance  
ENMAX Corporation  
141 – 50 Avenue S.E.  
Calgary, AB T2G 4S7  
phone: (403) 514-2056  
fax: (403) 514-1740  
email: esoria@enmax.com

The Director, Compliance shall have unlimited access to the business of ENMAX Power and ENMAX Energy and adequate staff and resources to enable comprehensive audit and investigation activity. Except where otherwise noted, the Director, Compliance is accountable for the compliance mechanisms described in this Compliance Plan. The responsibilities of the Director, Compliance include:

- Providing advice and information to ensure compliance;
- Oversight of the monitoring and documenting of compliance by ENMAX Power and its Affiliated Retailers (excluding Valeo Power);
- Providing for the preparation and updating of the Compliance Plan;
- Filing the Compliance Plan, posting the Plan on the ENMAX Power and ENMAX Energy websites, and advising interested parties when the Plan or modifications have been posted on the website;
- Performing compliance reviews and preparing ad hoc, quarterly, and annual compliance reports to, or for the signature of, the Chief Executive Officer of ENMAX Power and the Vice-President of ENMAX Energy;
- Receiving, investigating, and resolving internal and external disputes, complaints, and inquiries;
- Recommending measures required to address events of non-compliance;

- Maintaining adequate records with respect to all aspects of these responsibilities.
2. The Director, Compliance may delegate some or all of these responsibilities to individuals within ENMAX Power and ENMAX Energy.

The Director, Compliance has identified Compliance Co-ordinators for ENMAX Power and ENMAX Energy:

<p>Bruce P. Chretien          Director, Regulated Revenue Services          ENMAX Power Corporation          141 – 50 Avenue S.E.          Calgary, AB T2G 4S7          phone: (403) 514-1346          fax: (403) 514-1411          email: <a href="mailto:bchretien@enmax.com">bchretien@enmax.com</a></p>	<p>David Raposo          Manager, Customer Contact          ENMAX Encompass Inc.          1565 27 Avenue N.E.          Calgary, AB T2E 8Y2          phone: (403) 385-6270          fax: (403) 219-2176          email: <a href="mailto:draposo@enmax.com">draposo@enmax.com</a></p>
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ENMAX Encompass provides a Compliance Co-ordinator on behalf of ENMAX Energy as part of the relationship between those companies. Each Compliance Co-ordinator reports to the Director, Compliance with respect to Compliance Plan matters for the relevant company, and is responsible for monitoring compliance with this Plan, recommending changes to this Plan, and ensuring the implementation of processes supporting compliance with this Plan.

## **CORPORATE STRUCTURE AND SERVICES**

### **ENMAX:**

ENMAX is vertically integrated, meaning its business segments and subsidiaries participate in all areas of the energy industry. Balanced investment and operation of regulated and unregulated businesses ensure quality earnings and a prudent risk profile.

### **ENMAX Power:**

ENMAX Power owns, operates and maintains the high-voltage transmission wires in and around the Calgary area. ENMAX Power's Affiliated Retailers and other Retailers use transmission systems to get electricity from generation plants to distribution systems.

In addition, ENMAX Power owns, operates, and maintains the wires that distribute electricity to all homes and businesses in and around Calgary. ENMAX Power's Affiliated Retailers and other Retailers use distribution systems to get electricity to Customers.

ENMAX Power conducts its own site administration, meter data management, load settlement, distribution tariff billing, and revenue metering inventory management for the Calgary settlement zone.

ENMAX Power enters into contracts to perform a variety of services in other settlement zones. The contracts are held with a number of municipalities (currently, the City of Red Deer and AMPS). The services provided are different in each jurisdiction and include the following:

- Load Settlement;
- Site Administration;
- Distribution Tariff Billing; and
- Meter Data Management, including meter reading.

The municipalities perform their own service order management, field work, and meter inventory management. Refer to the chart "ENMAX Power Business Functions in the Municipalities" attached as Appendix 1. ENMAX Power is responsible for Code of Conduct compliance for Personnel under its direct control. Unless otherwise indicated, the same standards and policies apply in all municipalities where ENMAX Power operates and the Code of Conduct is applicable. Each municipality is responsible for the Code of Conduct compliance of its own Personnel.

### **ENMAX Energy:**

ENMAX Energy has been appointed by ENMAX Power and the other relevant Owners as the Regulated Rate Provider in Calgary, Red Deer, Crowsnest Pass, Fort Macleod, Cardston, and Ponoka.

ENMAX Energy provides Retail Electricity Services to residential, small commercial, and commercial and industrial Customers throughout Alberta.

ENMAX Energy (through its affiliate, ENMAX Encompass) provides billing and Customer care for its Customers. Prior to February 2009, ENMAX Encompass had contracted with Accenture Business Services – Utilities Customer Care Inc., an unaffiliated third party contractor, to deliver the majority of these services on its behalf but these services have all since been repatriated. ENMAX Energy has contracted out billing and Customer care functions in relation to certain commercial and industrial Customers to Cognera. ENMAX Energy also may contract with third party sales and marketing agents. Currently, ENMAX Energy has contracted with Inked Sales Solutions, ERT, Sakon Consulting, Global Communications, and Corporate Oasis - all unaffiliated third party contractors - for this purpose.

### ***See Compliance Mechanism 3 below.***

***Compliance Mechanism 1:*** ENMAX Energy's Manager, Consumer Channel - Consumer Market performs weekly quality checks on samples of third party sales activity, won or lost, including an assessment of whether the representative adhered to the operating practices expected by ENMAX Energy. The Manager, Consumer Channel logs any issues discovered during the weekly quality checks and immediately implements a corrective action plan. This documentation is maintained for audit purposes.

ENMAX Energy has repatriated the management of all of its Regulated Rate Provider functions (for ENMAX Power and other owners). This role is administered by the "Industry and Business Relations" group, which is comprised of ENMAX Encompass Personnel and reports to the Vice-President of ENMAX Energy. The management of the RRO pricing functions remains with ENMAX Power.

ENMAX Encompass ensures processes are in place to manage the impact of legislation related to freedom of information, privacy, Code of Conduct, the *Fair*



*Trading Act*, and current corporate policies. The Manager, Industry and Business Relations and the Director, Customer Care and associated managers meet weekly to review billing-related operations and to ensure that all procedures and policies are adhered to.

**Compliance Mechanism 2:** As part of the ENMAX Encompass and ENMAX Energy relationship, a series of compliance checks have been developed to ensure that the Customer care organization maintains high standards in regards to Code of Conduct compliance. At least quarterly, the ENMAX Encompass Industry and Business Relations group will perform a Contact Centre audit to randomly review a sample of calls for compliance. Code of Conduct compliance is one of the mandatory evaluations included in internal monitoring of call quality. Also, on an annual basis or as required by the MSA, ENMAX Energy will undergo a third-party Code of Conduct audit (as set out in Part 4, Division 2 below that will include the billing and Customer care services provided by ENMAX Encompass.

### **ENMAX Commercial Energy Marketing Inc.:**

ENMAX Commercial Energy Marketing Inc. (formerly 967051 Alberta Ltd.) was incorporated to hold a number of Retail Electricity Services contracts acquired from another Retailer and to enter into new Retail Electricity Services contracts with commercial and industrial Customers for billing management purposes. However, these contracts are managed by ENMAX Energy, and ENMAX Commercial Energy Marketing Inc. has no employees or other business of its own. All compliance mechanisms of ENMAX Energy set out in this Compliance Plan also apply to ENMAX Commercial Energy Marketing Inc.

### **Valeo Power:**

Valeo Power provides Retail Electricity Services to large commercial and industrial Customers, primarily outside the ENMAX Power service areas. Valeo Power has its own MSA-approved Code of Conduct compliance plan.

## **PART 2 CONDUCT OF OWNERS AND RETAILERS**

### **3. Behaviour of Owners and Retailers**

ENMAX Power and ENMAX Energy will conduct themselves and their activities so as to comply with and to ensure compliance with the Code of Conduct and this Compliance Plan. [Code of Conduct, Part 2, #3]

**Compliance Mechanism 3:** ENMAX Power and ENMAX Energy ensure that all new officers and employees receive training on the Code of Conduct. The Peoplesoft system (ENMAX's Human Resources software) creates a list of all new officers and employees to the company and those officers and employees are automatically notified of a mandatory on-line training session provided through the Learning Management System (LMS) to educate them on the contents of the Code of Conduct and their personal responsibilities under the Code of Conduct and this Compliance Plan. If an employee fails to complete the mandatory on-line training, he or she is reminded by e-mail, copied to the employee's supervisor that he or she must complete the training. Refresher training is required annually.

Individual Personnel employed by contractors and agents are all required to complete the aforementioned education and training session. As these individuals are not identified through the employee Peoplesoft system, an e-mail note is sent to all directors, managers, and supervisors of ENMAX Power and ENMAX Energy on a quarterly basis reminding them to identify any individuals satisfying the above criteria immediately so that they may be notified of the mandatory training. This process is managed by the Director, Compliance.

The Director, Compliance maintains auditable logs of all Individual Personnel who have completed the Code of Conduct training. These logs are created through information received from the LMS. All Individual Personnel are asked upon completion of the training session to electronically acknowledge that they have undergone the training and that they will abide by their obligations under the Code of Conduct and the Compliance Plan. Updates to the Code of Conduct training material, and further training and education for existing Personnel, occur as necessary under the direction of the Director, Compliance.

**Compliance Mechanism 4:** ENMAX Power and ENMAX Energy inform their respective Personnel about the Code of Conduct, this Compliance Plan, and their duties and responsibilities under both. The Code of Conduct and the Compliance Plan are available on ENMAX Power's external website (enmax.com/Power), ENMAX Energy's external website (enmax.com/Energy) and on ENMAX's internal website, Intramax. Specifically, all Personnel will receive an electronic copy of this Compliance Plan and any subsequent change or amendment to this Compliance Plan in their ENMAX e-mail. Any Personnel who do not have ready access to e-mail will receive a paper copy of the Compliance Plan from their supervisor. ENMAX maintains a section of its internal website that is dedicated to information about this Compliance Plan and the Code of Conduct. This internal website is available to all ENMAX Power and ENMAX Energy officers, employees, and most contractors and agents.

**Compliance Mechanism 5:** If at any time during the course of work, Individual Personnel have questions or have encountered issues (particularly as they may relate to complaints or non-compliance) regarding the Code of Conduct, they are directed to speak to their immediate supervisor or any member of management. If there is still a question or issue, the supervisor will follow the request up the relevant chain of command to the Director, Compliance for resolution and reporting as set out in Part 4, Division 1, and Part 5 below.

**Compliance Mechanism 6:** Officers and employees have been advised that their failure to comply with the Code of Conduct or corporate policies may have serious consequences for the individual, which may not be limited to termination of employment. Non-compliance with the Code of Conduct by contractor or agent Personnel may lead to termination of their contracts and appropriate legal action.

**Compliance Mechanism 7:** ENMAX Energy relies on ENMAX Encompass to manage its Regulated Rate Provider functions. ENMAX Energy has fully separated its Regulated Electricity Services and Customers from its competitive Retailer operations and uses ENMAX Encompass for many of these functions. Neither the Consumer Market nor the Commercial Energy Marketing organizations of ENMAX Energy has access to the regulated Customer Information held by the ENMAX Encompass Industry and Business Relations group.

ENMAX Encompass Individual Personnel have access to almost all ENMAX Energy Customer Information through their performance of ENMAX Energy's billing and

Customer care functions, with Cognera having access to the remaining commercial and industrial Customer Information. These Individual Personnel receive the Code of Conduct training described in this Compliance Plan as well as privacy training to ensure they use Customer Information only for the purposes for which it was provided and that they disclose Customer Information only in accordance with the Code of Conduct and privacy legislation. All Customer-facing Personnel receive additional customized Code training.

**Compliance Mechanism 8:** While ENMAX Power and ENMAX Energy share office space, physical separation is achieved through card-key access restrictions that prevent ENMAX Energy Personnel from entering the ENMAX Power “Code of Conduct area”. Active records are kept within each business unit and, therefore, secured within each Code of Conduct area. Less active records are stored either in the Information and Records Management (IRM) centre or off-site in commercial storage. The records within the IRM centre are physically separated by regulated and non-regulated groups (ENMAX Power at the back of the centre and ENMAX Energy in the front filing area). Users may access the records only after the IRM centre receives written confirmation from a user’s supervisor that the individual has the right to access the records under the Code of Conduct. The written confirmation is filed by the IRM and the name of the user, together with the user’s level of access rights, is added to the IRM list of authorized users. Any special access restrictions are also required to be part of the memo. All off-site records must be ordered / accessed through the IRM centre as well and are subject to the same access restrictions. A record is kept of access requests and access authorizations.

ENMAX Power’s and ENMAX Energy’s infrastructure resources (i.e. servers, disk arrays) are often shared with other ENMAX companies; however, applications and data are managed distinctly within the environment, and a separation is effected using a variety of controls - digital certificates, user name, and usage profile. Data, application, and network security is performed by ENMAX’s Information Technology department. Each application has its own security mechanisms, managed by Information Technology, to ensure that inappropriate access to information is mitigated. Access to ENMAX Power’s system, in particular, is made available to ENMAX Power, other Owners for whom ENMAX Power provides services, and Retailers (including ENMAX Power’s Affiliated Retailers) and is strictly controlled through the use of digital certificates issued by a secure third party (Verisign) only when approved by ENMAX Power. If a system access request is not accompanied by a digital certificate, access to the system is denied. Access denials are logged within the system’s application security. The user name is assigned by ENMAX Power’s system for access management and application user authorization access (AUAA); which categorizes each user account in terms of the company to which it belongs, the functional role to be performed by the account (site enrolment, energization/de-energization, etc.), and the settlement zone(s), in which the account can perform these functions. When the user has presented a valid digital certificate, the user’s account profile (company name, functional role, and settlement zone) determines what information he or she can view and manipulate. Retailer accounts are only permitted to view and manipulate information belonging to sites enrolled to that Retailer. Similarly the City of Red Deer, for example, is only permitted to access Red Deer information. External access audits are undertaken by ENMAX’s Information Technology department to ensure that these controls cannot be breached. These audits are documented.

Back-up electronic data is kept in a dedicated caged area with ENMAX’s commercial storage provider and is accessible by storage staff only. Only authorized users from

ENMAX's Information Technology department (who have received Code of Conduct training in accordance with this Compliance Plan) are permitted to order the retrieval of boxes (data) from offsite storage.

**Compliance Mechanism 9:** Sales and marketing lists for ENMAX Energy's direct sales and marketing activities are exclusively obtained from third party sources. In order to ensure compliance with respect to privacy, the third party lists are compared and cleansed with the list of those Customers that have expressly withdrawn consent to the use of their Customer Information. Any Customer may withdraw consent to the use of their Customer Information for sales and marketing at any time either by speaking with a customer service representative or by email to [privacy@enmax.com](mailto:privacy@enmax.com). Customers are informed of this right through ENMAX's Personal Information Commitment delivered to each Customer with their first bill and posted on the ENMAX website. There is no assumption that consent is given by a Customer in the absence of actual consent. No other comparisons, screening, or cleansing is performed on the third party list using Customer Information held by ENMAX Energy. Indirect sales and marketing activities are performed through mechanisms, such as non-selective bill messages and inserts, which conspicuously display the Fair Competition Statement.

**Compliance Mechanism 10:** A "Compliance Audit Checklist" has been developed based upon the audit work plan approved by the MSA for ENMAX Power's and ENMAX Energy's 2009 specified procedures report (see checklist attached as part of Appendix 3). This checklist and procedures are completed under the direction of the Director, Compliance and the management of the Compliance Co-ordinators and outlines specified procedures for internally monitoring Code of Conduct compliance. ENMAX Internal Audit will independently sample 5 to 10 procedures on a quarterly basis.

## **Division 1 Equality of Treatment for Customers**

### **4. Tying prohibited**

ENMAX Power and ENMAX Energy will, at all times, treat Customers fairly, ethically, and in accordance with the intent and spirit of the Code of Conduct.

Neither ENMAX Power or ENMAX Energy (as Affiliated Retailer) will require or induce Customers to acquire goods or services from ENMAX Power's Affiliated Retailers or any other Retailer by making or appearing to make Regulated Electricity Services conditional on the acquisition of those goods or services. [Code of Conduct, Part 2, Division 1, #4]

**Compliance Mechanism 11:** ENMAX Energy (as Regulated Rate Provider) performs a number of the functions of ENMAX Power, and ENMAX Power relies upon ENMAX Energy to perform these functions in compliance with the Code of Conduct. ENMAX Power assures itself of this by receiving copies of ENMAX Energy's Compliance Plan and updates to its Plan, as well as copies of all compliance reports and audit reports (internal or external) provided on an ad hoc, quarterly, or annual basis. ENMAX Power reserves the right to conduct its own audits of ENMAX Energy's compliance where it believes this is warranted and will report any non-compliance discovered at any time to ENMAX Energy, the MSA, and the AUC. By virtue of using a shared service model for compliance, legal, finance, and regulatory support, as described in Part 3, Division 1, Section 19 below, key Individual Personnel will be continually monitoring ENMAX Energy's operations and its compliance with the Code of Conduct.

**Compliance Mechanism 12:** ENMAX Power has direct communications with Customers and Retailers only through its Regulated Market Services and Control Centre groups; all other communications are handled by the Contact Centre on behalf of all RRO Customers. Quarterly spot checks of these communications are performed as part of the compliance audit referred to in Compliance Mechanism 10 above.

**Compliance Mechanism 13:** ENMAX Energy has established a practice set out in the “Code of Conduct – Fair Competition Guideline” and “Code of Conduct – Fair Competition Guideline FAQ” (attached as part of Appendix 3) which requires that all communications relating to Retail Electricity Services include the Fair Competition Statement. The practice is applicable to all ENMAX Energy retail organizations. All marketing materials are channeled through the Marketing Communications group which ensures the communications (i.e. Customer letters, advertisements, brochures, etc.) conform to these guidelines, among others, through review and approval by the Director, Compliance and/or the Legal Department. All communications related to the RRO are developed by the RMS group in ENMAX Power and are also reviewed by the Director, Compliance and/or the Legal Department of ENMAX. A record is maintained of all such approvals given. The proposed free-standing bill inserts and integrated bill messages are reviewed for the following criteria:

- Proper sizing, weight
- Determine distribution
- Ensure privacy and Code of Conduct compliance based upon message and audience
- Diarization of messages and prioritization of messages if required
- Review stakeholder engagement around process

**Compliance Mechanism 14:** Contact Centre training is the responsibility of the Industry and Business Relations department of ENMAX Encompass. All new scripts and/or training changes must be reviewed by the Director, Compliance and approved by the Industry and Business Relations group, who ensure compliance with the Code of Conduct.

**Compliance Mechanism 15:** The Director, Compliance shall conduct a review, at least quarterly, of the ENMAX Power and ENMAX Energy websites to ensure compliance with the Code of Conduct and will maintain a record of the review.

**See Compliance Mechanism 10 above.**

## **5. Transfer of Customers**

Neither ENMAX Power nor ENMAX Energy will, without the Customer’s consent, transfer the Customer to a Retailer or transfer the Customer to a Retail Electricity Services tariff. [Code of Conduct, Part 2, Division 1, #5]

**Compliance Mechanism 16:** ENMAX Power holds Retailers responsible for maintaining a verifiable record of Customer consent to enrolment. ENMAX Power, through the terms and conditions of its Retail Access Services Agreement (attached as Appendix I to the ENMAX Power Distribution Tariff Terms and Conditions, and as part of Appendix 2) requires all Retailers obtain this verifiable Customer consent before requesting ENMAX Power to enroll a Customer from an RRO to a competitive Retailer, or from one competitive Retailer to another competitive Retailer.

**Compliance Mechanism 17:** If ENMAX Power has any reason to believe that a Retailer is not maintaining a verifiable record of Customer consent as described in Compliance Mechanism 16 above, ENMAX Power may select a sample of Customer transfer requests (including requests for transfer to a Retailer or a Retail Electricity Services tariff) and follow up with the appropriate Retailer, with a request to see the signed document(s) indicating that consent was given by the Customer for the transfer.

**Compliance Mechanism 18:** Like all other Retailers in the ENMAX Power service area, ENMAX Energy is required to maintain a verifiable record of Customer consent to enrolment pursuant to the terms and conditions of the Retail Access Services Agreement it has entered into with ENMAX Power. ENMAX Energy has similar obligations with respect to other Owners for whom it serves as the Regulated Rate Provider, through contract or under the Code of Conduct alone. Where the Retailer is ENMAX Energy, the Customer consent is evidenced in the retail contract executed by the Customer. Where the Retailer is a person other than ENMAX Energy, the Customer consent is evidenced in the select retailer notification (SRN) file provided to Owners by Retailers.

## **6. Representations**

Neither ENMAX Power nor ENMAX Energy will represent that Customers of any Retailer receive treatment from ENMAX Power or other Owner that is different from the treatment that Customers of other Retailers receive from that Owner. [Code of Conduct, Part 2, Division 1, #6]

**See Compliance Mechanisms 10, 11, 12, 13, 14, and 15 above.**

## **7. Advertising**

Because the name and logo of ENMAX Power and ENMAX Energy do not clearly indicate that they are separate entities, ENMAX Energy will, in any internet text or written material published or sent that markets Retail Electricity Services, include conspicuous statements that Customers are not required to acquire electricity or other goods and services from ENMAX Energy to receive regulated electricity services from the Owner and state where Customers may obtain the current list of licensed Retailers, available at [www.ucahelps.gov.ab.ca](http://www.ucahelps.gov.ab.ca), by activating a link on the ENMAX Energy website, or by toll free telephone. [Code of Conduct, Part 2, Division 1, #7]

**See Compliance Mechanisms 10, 13, 14, and 15 above.**

## **8. Meetings by Owner with Retailers and Customers**

ENMAX Power will make a reasonable effort to be equally available to all Retailers for joint meetings with the Retailer and the Retailer's Customers. [Code of Conduct, Part 2, Division 1, #8]

**Compliance Mechanism 19:** All email correspondence from Retailers sent to Regulated Market Services is electronically filed and periodically archived by the Regulated Market Services group. A record of all meeting requests (however received) and minutes are logged in a spreadsheet that is available for auditing. Regulated Market Services utilizes a customer relationship management (CRM) software system called SalesLogix that centrally logs all formal external interactions.

## **Division 2 Confidentiality of Customer Information**

### **9. Confidentiality rule**

ENMAX Power and ENMAX Energy will protect the confidentiality of Customer Information in accordance with the Code of Conduct. [Code of Conduct, Part 2, Division 2, #9]

**See Compliance Mechanisms 3, 4, 5, and 6 above.**

Neither ENMAX Power nor ENMAX Energy will disclose Customer Information without the consent of the Customer unless the information is in the form of aggregated Customer Information, the disclosure is to a default supplier appointed by ENMAX Power or other Owner or the disclosure is solely for the purpose of preventing interruption of electricity services. [Code of Conduct, Part 2, Division 2, #10]

**Compliance Mechanism 20:** As an Owner, ENMAX Power stores Customer consumption (load) information. ENMAX Power also holds other Customer Information (e.g. name and address) on behalf of ENMAX Energy (as Regulated Rate Provider) or the Customer's Retailer, as applicable. Upon receipt of a valid information request, ENMAX Power provides Customer load information only and logs all load requests. ENMAX Power does not provide any other Customer Information and refers all requests for other Customer Information to the Customer's Retailer or directs the requestor to contact the Customer if the identity of the Retailer is unknown to the requestor.

**Compliance Mechanism 21:** As part of ENMAX Energy's Privacy Commitment (available on the ENMAX Energy website at [enmax.com/energy](http://enmax.com/energy)), Customer consent is required in order to release specific Customer Information. Any Customer may request to have copies of all personal information from ENMAX Energy. A joint process is in place between ENMAX Encompass and ENMAX Energy to facilitate these requests as set out in the Privacy Customer Personal Information Access Request Process (attached as part of Appendix 3). Should a Customer choose to make changes to their personal information maintained by ENMAX Encompass (on behalf of ENMAX Energy and ENMAX Power), a similar process is used to ensure these changes are made within all applicable systems as set out in the Privacy Customer Personal Information Correction Request Process (attached as part of Appendix 3).

**Compliance Mechanism 22:** ENMAX Power adheres to applicable AUC Rules for all standard Customer load requests.

**Compliance Mechanism 23:** In the situation where a competitive Retailer 'drops' a site and there is not a corresponding enrolment from another Retailer, ENMAX Power provides all last-known Customer Information, taken from the most recent update Customer Information (UCI) transaction, to the default supplier (currently, ENMAX Energy). The default supplier then initiates a vacancy determination process to verify the Customer Information as a prelude to providing default supply. For all service areas in which ENMAX Power and ENMAX Energy provide Owner and default supplier services, the same systems and processes are used.

**See Compliance Mechanism 11 above.**

### **10. Disclosure of Customer Information with consent**

Customer Information may be disclosed without consent in the following situations:

- When the disclosure is to the Customer's Retailer;
- To a person authorized by an Owner that provides electricity services;
- To eligible Customers in the Owner's service area under a Regulated Rate Tariff;
- For the purpose of an audit;
- For a court proceeding or proceeding before a quasi-judicial body to which the Customer is a party;
- To comply with a subpoena, warrant, or order issued or made by a court or other body having jurisdiction to require the production of information;
- To a peace officer in support of an on-going investigation of the Customer, if disclosure is not contrary to the express request of the Customer;
- If required by law or by an order of a government agency having jurisdiction;
- If required by the MSA;
- For the purpose of billing Customers; or
- For the purpose of collecting an unpaid bill. [Code of Conduct, Part 2, Division 2, #10]

**Compliance Mechanism 24:** Written or electronic requests to ENMAX Energy for electricity services Customer Information from the Utilities Consumer Advocate (UCA) will be facilitated by ENMAX Encompass or Cognera, as applicable or ENMAX Energy, provided the UCA's request includes a "Privacy Statement" confirming that the Customer referred to in the UCA's correspondence authorized the UCA to collect their Customer Information for the purposes of enabling the UCA to assist in mediating the Customer's concerns.

**Compliance Mechanism 25:** ENMAX Power adheres to applicable AUC Rules when responding to standard requests for Customer Information held as Owner. Non-standard requests to ENMAX Power (for Customer Information held as Owner) that cannot be processed via the Historic Use Files system are evaluated by the individual who receives the request at ENMAX Power. The decision for the release of the information is determined by whether the requestor provides authentication from the Customer for the release of the information.

**Compliance Mechanism 26:** Requests to ENMAX Energy for Retail Electricity Services Customer Information will be facilitated by ENMAX Encompass or Cognera, as applicable, or ENMAX Energy. Requests to ENMAX Energy for Customer Information held as Regulated Rate Provider will be facilitated by the Industry and Business Relations group of ENMAX Encompass. The party who will respond and the response depend upon the source and nature of the request, verifiable requestor contact information, and proof of authority for requesting the information. The Industry and Business Relations group will facilitate the majority of these requests and its process for handling them is set out in the Disclosure of Customer Information by ENMAX Encompass process (attached as part of Appendix 3). Requests for personal information are channeled through one or more of the ENMAX Power Privacy Manager, the ENMAX Encompass Manager, Industry and Business Relations, or other authorized members of ENMAX Encompass.

Customer consent has no effect unless the consent itemizes the Customer Information that is to be disclosed, states the period of time that the consent is in effect, and states whether the Customer Information may be released to one, some or all Retailers. [Code of Conduct, Part 2, Division 2, #10]



**Compliance Mechanism 27:** For non-standard requests to ENMAX Power (for Customer Information held as Owner) from Retailers that are not governed by the AUC Rules, only the ENMAX Power authorization form or the ENMAX Power-provided spreadsheet will be accepted and consent is represented by the requestor to have been appropriately obtained from the Customer. Other requestors may only use the ENMAX Power authorization form that is signed by the Customer. The authorization form and spreadsheet (attached as part of Appendix 2) are available on the ENMAX Power website.

**Compliance Mechanism 28:** For requests to ENMAX Power, the interaction/information is tracked electronically and time/date stamped. The source of the request, activity, and who completed the work is also documented.

**See Compliance Mechanism 22 above.**

**Compliance Mechanism 29:** ENMAX Energy and ENMAX Encompass have established a Customer Information disclosure process and associated form (attached as part of Appendix 3) for ENMAX Energy Customer Information (in all service areas). ENMAX Encompass manages the disclosure process on behalf of ENMAX Energy.

## **11. Disclosure to 2 or more Retailers**

If a Customer authorizes his or her Customer Information to be disclosed by ENMAX Power or ENMAX Energy (as Regulated Rate Provider) to two or more Retailers, the information shall be disclosed to those Retailers in accordance with applicable AUC Rules. [Code of Conduct, Part 2, Division 2, #11]

**Compliance Mechanism 30:** As part of the compliance audit referred to in Compliance Mechanism 10 under Part 2, Section 3 above, in order to evidence the timing and manner in which Customer Information is disclosed to appropriate Retailers, ENMAX Power will generate a Historic Usage File report as per applicable AUC Rules.

**Compliance Mechanism 31:** ENMAX Encompass generally provides Customer Information to the Retailers using the mechanism(s) specified by the Customer. If the information is to be faxed to those Retailers identified by the Customer, they are sent in sequence by the Contact Centre representative acting on the request. If the information is to be e-mailed to those Retailers identified by the Customer, it is sent within the same message. Records are maintained of all requests and responses.

**See Compliance Mechanisms 27, 28, and 29 above.**

## **12. Conditions on disclosure of Customer Information**

If a Retailer obtains the consent of a Customer for the release of that Customer's Customer Information from ENMAX Power or ENMAX Energy, ENMAX Power or ENMAX Energy (as applicable) will, within seven days of a request by the Retailer and receipt of the Customer's consent, disclose the information to the Retailer and will not inform any other person that the Customer Information has been requested or disclosed. [Code of Conduct, Part 2, Division 2, #12]

**Compliance Mechanism 32:** ENMAX Power adheres to applicable AUC Rules when fulfilling requests for Customer (load) Information.

**Compliance Mechanism 33:** When ENMAX Encompass is responding to a request, the Customer specifies which information is to be disclosed, for what period of time, and any other specific instructions regarding the request. Information disclosure requests are acted upon immediately by ENMAX Encompass and are kept in a secure filing system along with a record of the response to the request. The aggregate number of requests per month and associated performance metrics are tracked and reported to ENMAX Encompass Industry and Business Relations group. These files are confidential and are not directly accessible, in whole or in part, by ENMAX Energy.

**See Compliance Mechanism 20 above.**

### **13. Historical electric energy consumption**

When historical electricity consumption information about a Customer is disclosed following a request for the information and consent is obtained from the Customer, that information will be provided within 15 days of receipt of a written disclosure request and include the 12-month period preceding the date of the request; or where that information has not been collected for a 12-month period, for any period preceding the date of the request for which that information has been collected. [Code of Conduct, Part 2, Division 2, #13]

**See Compliance Mechanism 32 above.**

### **14. Aggregated Customer Information**

ENMAX Power or ENMAX Energy (as Regulated Rate Provider) may make available to a Retailer, at not more than its cost to do so, aggregated Customer Information if the aggregation service is available to all Retailers under the same terms and conditions, Customer Information has been aggregated to such a degree that the information of an individual Customer or Retailer cannot be identified and at least 24 hours before aggregated Customer Information is made available to a Retailer, ENMAX Power or ENMAX Energy, as applicable, places a notice on its website with a clear description of the information and the cost of obtaining that information and keeps the notice on its website for at least 30 days. [Code of Conduct, Part 2, Division 2, #14]

**Compliance Mechanism 34:** See Compliance Mechanism 27 above. A copy of each notice so posted is retained and filed.

**Compliance Mechanism 35:** ENMAX Energy does not make available aggregated Customer Information to Retailers.

## **Division 3 Equality of Treatment of Retailers**

### **15. Equal treatment**

ENMAX Power will not, in the terms and conditions governing its Regulated Electricity Services, give preferential treatment to its Affiliated Retailers or to the Customers of its Affiliated Retailers or discriminate against any Retailer or the Customer of any Retailer unless otherwise permitted by the Act or a regulation made under the Act. [Code of Conduct, Part 2, Division 3, #15]

**Compliance Mechanism 36:** The ENMAX Power Distribution Tariff fee schedule is published and available to the public on the ENMAX Power website. The same fees apply to all Retailers equally.

**Compliance Mechanism 37:** Access to business and systems interfaces as described in the Settlement System Code (available on the AUC website) and in the ENMAX Power Distribution Tariff Terms and Conditions (available on the ENMAX Power website) are available to all Retailers on an equal basis.

## **16. Equal notice of changes**

When ENMAX Power intends to change its Regulated Electricity Services or the terms and conditions of that apply to those services, it will inform all Retailers of the intended change at the same time and in the same manner. [Code of Conduct, Part 3, Division 3, #16]

**Compliance Mechanism 38:** ENMAX Power recognizes that information concerning future changes to the Regulated Electricity Services it provides, such as service levels and prices, enrolment procedures and terms and conditions, could have strategic value to Retailers. Information not yet made public is deemed to be confidential to the regulated part of ENMAX Power. ENMAX Power Personnel possessing this information are required to protect it from unauthorized disclosure.

**Compliance Mechanism 39:** Notices of changes in services or terms and conditions under tariffs other than the Regulated Rate Tariff are available to all Retailers in the regulatory filing and may also be communicated by an emailed bulletin sent by ENMAX Power to all Retailers simultaneously. Changes in services or terms and conditions under the Regulated Rate Tariff are developed in cooperation with the Regulated Rate Provider; all other Retailers will be provided via e-mail with notice of such changes simultaneously as described above.

**See Compliance Mechanism 28 above.**

## **Division 4 Business Practices of Owners and Retailers**

### **17. Conditions of access to written communication with Customers**

Where ENMAX Power or ENMAX Energy (as Regulated Rate Provider) allows a Retailer to access its written communications with Customers, including its billing envelopes, for sales and marketing purposes, any communication by the Retailer must state that Customers are free to choose other Retailers and also refer Customers to a source where they may obtain the current list of licensed Retailers. [Code of Conduct, Part 3, Division 4, #17]

**Compliance Mechanism 40:** Except to ENMAX Energy, in its capacity as Regulated Rate Provider, ENMAX Power does not directly allow Retailers to access any of its written communications (as Owner).

**Compliance Mechanism 41:** To date, only ENMAX Energy (as Retailer) has requested access to the written communications of the Regulated Rate Provider and Compliance Mechanisms 13, 15, and 41 have been developed to address related Code of Conduct compliance. Should another Retailer access the Regulated Rate Provider's written communications, reviews of those communications would be performed which are analogous to the ones performed on ENMAX Energy sales and marketing materials.

**Compliance Mechanism 42:** The list of licensed Retailers is available at [www.ucahelps.gov.ab.ca](http://www.ucahelps.gov.ab.ca), by activating a link on the ENMAX Energy website (revised as necessary in the event of any change in contact information), or by toll-free telephone.

**See Compliance Mechanism 11 above.**

When ENMAX Energy (as Regulated Rate Provider) communicates with its Customers for sales or marketing purposes (as Affiliated Retailer), the communication will state that Customers are free to choose other Retailers and refer the Customer to a source where he or she may obtain the current list of licensed Retailers. [Code of Conduct, Part 3, Division 4 #17]

**Compliance Mechanism 43:** ENMAX Energy's Customer Information systems track the delivery of the Fair Competition Statement as follows:

#### Customer Initiated Communications

Contact Centre - Inquiries to the Contact Centre (from Customers in all service areas) follow a path through the interactive voice response (IVR) system which ensures Customers hear the uninterruptible Fair Competition Statement prior to engaging a Customer Service Representative. The Customer Information system logs that the message has been heard. If the record states that it has not been heard, the Customer Service Representative will read the Fair Competition Statement and record in the Customer Information system that it has been heard. The IVR system is tested in accordance with the quarterly compliance audit referred to in Compliance Mechanism 10 above, to confirm its compliance with these requirements.

ENMAX Energy Calls - If a Customer calls an ENMAX Energy sales or Customer Service Representative directly, the Customer record is looked up to determine if the Fair Competition Statement has been heard. If not, the message will be read and the sales or Customer Service Representative will record in the Customer Information system that it has been heard. Spot checks are performed quarterly, as part of the quarterly compliance audit referred to in Compliance Mechanism 10 above, to confirm compliance.

#### ENMAX Energy Initiated Communications

All sales and marketing materials, including: ENMAX Energy website, brochures, pamphlets, letters, e-mail, and energy contracts; conspicuously display the Fair Competition Statement. As well, all sales Personnel are trained on the Code of Conduct (as set out in this Compliance Plan) and are provided with explicit direction on how to engage Customers by sales and marketing management.

**See Compliance Mechanisms 13, 14, and 15 above.**

## **18. Prohibitions**

Neither ENMAX Power nor ENMAX Energy (as Regulated Rate Provider) will do any of the following unless it relates to information in the billing envelope that contains the Fair Competition Statement, as set out in Part 2, Division 4 above:

- Give information about Retail Electricity Services in a manner that encourages a Customer to contact one Retailer in preference to another;
- Solicit business on behalf of a Retailer;

- Give the appearance that it speaks on behalf of a Retailer or that a Retailer speaks on its behalf;
- Give Customers advice or assistance about a Retailer, except to refer a Customer to a source where he or she may obtain the current list of licensed Retailers;
- Permit website users to access web pages relating to Retail Electricity Services from web pages relating to Regulated Electricity Services or vice versa unless the Fair Competition Statement is displayed stating that Customers are free to choose other Retailers and refers the Customer to a source where he or she may obtain the current list of licensed Retailers. [Code of Conduct, Part 2, Division 4, #18]

**Compliance Mechanism 44:** ENMAX Power (as Owner) does not have control of a billing envelope, as this function has been delegated to ENMAX Energy in its capacity as Regulated Rate Provider.

**See Compliance Mechanisms 11 and 13 above.**

If a Customer requests information about Retail Electricity Services from ENMAX Power or ENMAX Energy (as Regulated Rate Provider), the Customer will be referred to a source where he or she may obtain the current list of licensed Retailers. [Code of Conduct, Part 2, Division 4, Section 18]

**See Compliance Mechanisms 12, 13, and 42 above.**

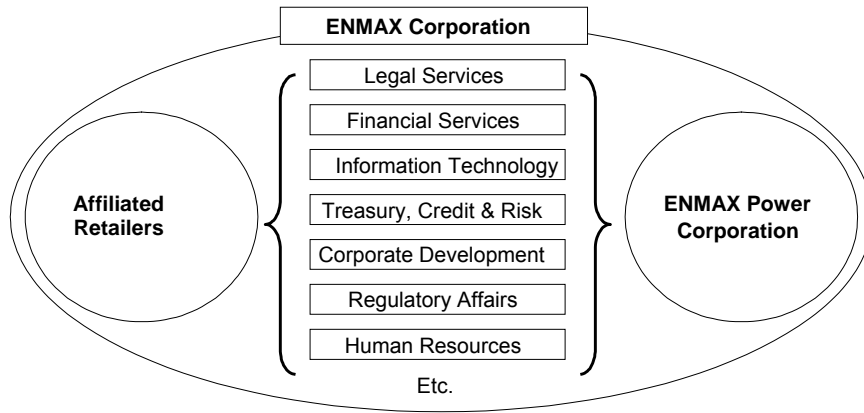
## **PART 3 RELATIONSHIP BETWEEN OWNERS AND THEIR AFFILIATED RETAILERS**

### **Division 1 Preventing Unfair Competitive Advantage**

#### **19. Efficiency without unfair competition**

An Owner and its Affiliated Retailers may make arrangements to create cost efficiencies in their operations, but in doing so must not create an unfair competitive advantage for its Affiliated Retailers. ENMAX Energy must not create an unfair competitive advantage for itself as a Retailer as a result of its capacity to act as a Regulated Rate Provider. [Code of Conduct, Part 3, Division 1, #19]

**Compliance Mechanism 45:** ENMAX and its subsidiaries create cost efficiencies through the use of a shared service model for centralized functions. Information Technology, Human Resources, and Corporate Communications are some of the functions that are centralized under ENMAX and are charged out to its subsidiary operating companies, which include ENMAX Energy and ENMAX Power (and, to a lesser degree, Valeo Power) as illustrated in the diagram below. These shared service arrangements give ENMAX the opportunity to leverage economies of scale by centralizing similar functions and like skill sets; however, activity-based and allocation costing models are employed to ensure that costs are allocated to the company that consumed the service and for the purpose the service was provided. ENMAX Energy serves Owners other than ENMAX Power under contractual arrangements which do not include the creation of cost efficiencies.



**Compliance Mechanism 46:** The AUC’s regulatory review processes provide a thorough oversight of these arrangements from an ENMAX Power perspective.

**Compliance Mechanism 47:** Rates to serve the RRO Customers require justification by the Regulated Rate Provider and approval by the AUC. ENMAX Energy goes to great lengths to provide evidence, in an appropriate level of detail, to support the costs being charged commensurate with the services being delivered. This due diligence mitigates the risk of creating an unfair competitive advantage for ENMAX Energy through its capacity to act as Regulated Rate Provider.

**Compliance Mechanism 48:** Outsource arrangements for the provision of billing-related functions are allocated across Customer segments based upon accepted allocation and activity-driven methods. Using this type of accounting practice, ENMAX Energy is able to allocate costs to the Customer type. These practices are auditable and provide assurance that cross-subsidization of costs is prevented.

## 20. Non-disclosure of Customer Information for marketing or sales purposes

Arrangements between an Owner and its Affiliated Retailers do not create an unfair competitive advantage if no Customer Information is disclosed that could be used by its Affiliated Retailers for marketing or sales purposes. [Code of Conduct, Part 3, Division 1 #20]

**Compliance Mechanism 49:** In its capacity as Regulated Rate Provider, ENMAX Energy receives Customer Information from ENMAX Power which could be used by ENMAX Energy for marketing or sales purposes. By contracting with ENMAX Encompass to manage its Regulated Rate Provider functions, ENMAX Energy has fully separated its Regulated Electricity Services and Customers from its operations. See Compliance Mechanism 13 above

**Compliance Mechanism 50:** All Individual Personnel within Information Technology receive Code of Conduct training as set out in this Compliance Plan.

**Compliance Mechanism 51:** No Customer Information is provided by ENMAX Power to Valeo Power, except as may be permitted by the Code of Conduct.

**See Compliance Mechanisms 7, 8, and 9 above.**

## **21. Customer Information from employees and others**

Neither current nor former Personnel of ENMAX Power or ENMAX Energy (as Regulated Rate Provider) may disclose Customer Information to an Affiliated Retailer that is to be used for sales or marketing purposes unless permitted by the Code of Conduct. Any such disclosure will amount to an unfair competitive advantage on the part of the Affiliated Retailer. [Code of Conduct, Part 3, Division 1, #21]

**See Compliance Mechanisms 3, 4, 5, and 6 above.**

## **22. Joint acquisitions, research and dispositions**

The economic costs and benefits will be properly allocated between ENMAX Power and its Affiliated Retailers, to ensure that the following arrangements do not create an unfair competitive advantage for an Affiliated Retailer:

- Joint acquisitions;
- Sharing research and development costs and expenses; and
- Disposal of jointly acquired property. [Code of Conduct, Part 3, Division 1, #22]

**Compliance Mechanism 52:** Any purchase or investment incurred jointly or shared between ENMAX Power and ENMAX Energy (as Affiliated Retailer) will be priced and reported in a manner that clearly distinguishes the expenses borne by each subsidiary. All joint purchases will be coded to the appropriate subsidiary at the time of purchase wherever possible. Any transfer of costs due to a coding correction will have an affiliate field completed to trace the subsidiary with which the transaction occurred. Records of these and all transactions are kept within the ENMAX Power accounting systems and are fully auditable. ENMAX Power and Valeo Power do not enter into such transactions.

**Compliance Mechanism 53:** Financial records are reviewed quarterly and audited annually by external auditors.

**See Compliance Mechanism 46 above.**

## **23. Goods and services transactions to be at fair market value**

Any disposition of goods or services between ENMAX Power and an Affiliated Retailer for something other than fair market value is an unfair competitive advantage for the Affiliated Retailer. If the value of a transaction for goods or services is regulated by a municipal, provincial, or federal government or government agency, that regulated value is considered to be the fair market value. [Code of Conduct, Part 3, Division 1, #23]

**Compliance Mechanism 54:** If the value of a transaction is not regulated in this way, ENMAX Power may use any method it considers to be appropriate including competitive tendering, competitive quotes, bench-marking studies, catalogue pricing, replacement cost comparisons, or recent market transactions. ENMAX Power has the onus of demonstrating and documenting that the method used was appropriate under the circumstances.

## **24. Financial transactions**

All loans, guarantees, security, or other financial transactions by an Owner to, or on behalf of, an Affiliated Retailer on terms more favourable than the Affiliated Retailer

could obtain on the open market is an unfair competitive advantage for the Affiliated Retailer. [Code of Conduct, Part 3, Division 1, #24]

**Compliance Mechanism 55:** All financial transactions between ENMAX Power and ENMAX Energy are at fair market value or at cost as a representative of fair market value. If the value of a transaction is not regulated in this way, ENMAX Power may use any method it considers to be appropriate including competitive tendering, competitive quotes, bench-marking studies, catalogue pricing, replacement cost comparisons or recent market transactions. ENMAX Power has the onus of demonstrating and documenting that its method used was appropriate under the circumstances. ENMAX Power and Valeo Power do not enter into such transactions.

## **25. Allocation of benefits and costs by Regulated Rate Provider**

Heading retained for numbering consistency as this section of the Act is not applicable to the operations of ENMAX Energy or ENMAX Power.

## **26. Access to publicly available information**

Any public ENMAX Power information systems or computers will be accessible to its Affiliated Retailers and all other Retailers equally. If information in ENMAX Power's information system is publicly available, there is nothing to prevent ENMAX Power from giving a Retailer unrestricted access to that information and nothing to prevent a Retailer from using that information. [Code of Conduct, Part 3, Division 1, #26]

**Compliance Mechanism 56:** Currently no Customer Information is made available to the public in any information system owned or operated by ENMAX and/or its subsidiaries. Should that information be made available, the principles of fair practice, in alignment and adherence with the Code of Conduct, would be used with respect to access by Retailers.

## **Division 2 Separate Records and Accounts**

### **27. Records and accounts**

ENMAX Power and ENMAX Energy (as Regulated Rate Provider) will keep sufficient records and accounts to enable an audit to be conducted under the Code of Conduct, keep accounts in accordance with generally accepted accounting principles, and keep accounts in accordance with and comply with any guidelines or uniform system of accounting required by the AUC [Code of Conduct, Part 3, Division 2, #27]

**Compliance Mechanism 57:** In order to reflect its true bottom line, ENMAX Power and ENMAX Energy each keeps records and accounts that are separate from those of the other. ENMAX Power and ENMAX Energy are separate legal entities and are set up separately in ENMAX's Peoplesoft financial system which identifies transactions as being related either to ENMAX Power or ENMAX Energy. Separate financial reports are prepared for ENMAX Power and ENMAX Energy. Valeo Power maintains its own financial records separately from ENMAX Power. ENMAX Energy serves Owners other than ENMAX Power under contractual arrangements which do not include the sharing of records and accounts; these are kept by each company at arm's length.

**Compliance Mechanism 58:** ENMAX Energy separates sales and costs of electricity for RRO Customers and non-RRO Customers. Although operating and administrative



costs are not accounted for separately, activity-based and allocation costing models are used to allocate costs between ENMAX Energy's RRO and competitive activities. Separate accounting for operating and administrative costs for RRO Customers has been implemented.

## **28. Written financial transactions**

Every financial transaction between ENMAX Power and its Affiliated Retailers or between another Owner and ENMAX Energy is in writing. [Code of Conduct, Part 3, Division 2, #28]

**Compliance Mechanism 59:** Financial transactions between ENMAX Power and its Affiliated Retailers or between other Owners and ENMAX Energy are supported by written agreements prepared for each transaction which are retained by the Information and Records Management group for the periods stipulated under section 30 below.

## **29. Transaction records**

ENMAX Power and ENMAX Energy (as Affiliated Retailer) maintain records of goods and services sold, leased, exchanged, given, or otherwise disposed of between ENMAX Power and its Affiliated Retailers and between an Owner and ENMAX Energy, respectively, and the value of the transactions expressed in terms of money. [Code of Conduct, Part 3, Division 2, #29]

**Compliance Mechanism 60:** All transactions between ENMAX Power and its Affiliated Retailers and between other Owners and ENMAX Energy are via invoice which identifies goods and services and the value of the transaction.

All transactions for goods or services between an Owner and its Affiliated Retailer, when the total cost of those transactions exceeds \$500,000 annually, are documented by an agreement and are supported by written evidence of fair market value. [Code of Conduct, Part 3, Division 2, #29]

**Compliance Mechanism 61:** All transactions for goods and services between ENMAX Power and ENMAX Energy with a cost exceeding \$500,000 annually are supported by agreements prepared for each transaction which are retained by the Information and Records Management group for the periods stipulated under Section 30 below and are recorded, with written justification, at fair market value determined by ENMAX Power using any method it considers to be appropriate including competitive tendering, competitive quotes, bench-marking studies, catalogue pricing, replacement cost comparisons, or recent market transactions. ENMAX Power has the onus of demonstrating that the method used was appropriate under the circumstances.

## **30. Maintaining records**

ENMAX Power and ENMAX Energy keep the records, accounts, financial transactions, reports, and plans required by the Regulation or this Compliance Plan for at least six years. [Code of Conduct, Part 3, Division 2, #30]

**Compliance Mechanism 62:** ENMAX Power and ENMAX Energy have adopted a corporate records classification and retention schedule (CRCRS) which is designed to manage all information and records created by ENMAX and its subsidiaries or received from external sources. The implementation of the CRCRS is essential to ensure that

ENMAX companies can meet their regulatory and legislative requirements. It was also designed to enhance the ability of business units to quickly access the corporate information required to make effective and timely management decisions.

The CRCRS is a systematic identification and sorting of information and records into logical categories based on functions and record series. It facilitates the efficient filing, storage, retrieval, and disposition of all corporate information throughout its life-cycle. An essential component of the CRCRS is a corporate CRCRS index of all information and records. All corporate information and records are coded in accordance with the CRCRS classification and the information and records metadata (coding, ownership, retention, etc.) is input into the corporate CRCRS index. The CRCRS was reviewed by management and adopted as a corporate standard on March 11, 2004.

A retention period has been assigned to each record type in accordance with legislation, codes, standards, industry practice, and operational needs. The retention periods related to Code of Conduct records are as follows:

<b>Class</b>	<b>Description</b>	<b>Retention</b>
<b>CGV05-01</b>	<b>Code of Conduct &amp; Ethics Reports</b> Includes all records directly related to Corporate ethics such as Code of Ethics, Employee Code of Ethics, Code of Conduct	<b>CY+2, 10, SR</b> (keep for the current year plus 2 years in active storage, 10 years in inactive storage, and then review documents for selective retention in archives.)
<b>FIN10-01</b>	<b>Account Activity And Statistical Reports</b> Includes Account activity and statistical reports such as Account Analysis, Account Statistics, Aged Transfers, Cheque Activity Reports, Cleared Fund Reports, Customer Payouts, Customer Transactions, Debit Interest Reports	<b>CY+2, 6</b> (keep for the current year plus two years in active storage, 6 years in inactive storage, and then destroy.)

## **PART 4 COMPLIANCE REQUIREMENTS**

### **Division 1 Compliance Plans and Reports**

#### **31. Compliance Plan**

ENMAX Power and ENMAX Energy will internally monitor their respective compliance with the Code of Conduct and this Compliance Plan. This will be achieved through internal audits of compliance and complaints and an assessment of how issues of non-compliance were dealt with by the company.

**See Compliance Mechanism 10 above.**

The Compliance Plan and Code of Conduct will be internally enforced by ENMAX Power and ENMAX Energy.

**Compliance Mechanism 63:** Contraventions of the Compliance Plan which are brought to the attention of the Director, Compliance through the processes described in this

Compliance Plan or through other channels, including the MSA and the AUC, will be managed through the internal mechanism for the voluntary resolution of complaints as outlined in Part 5 below.

**See Compliance Mechanisms 2, 3, 4, 5, 6, and 10 above.**

### **32. Approval by MSA**

Heading retained for numbering consistency as this section of the Act is not applicable to the operations of ENMAX Energy or ENMAX Power.

### **33. Changes to Compliance Plan**

ENMAX Power and ENMAX Energy will keep their Compliance Plan up to date and will make changes to it to reflect changes in circumstances and changes to the Code of Conduct. [Code of Conduct, Part 4, Division 1, #33]

A change to the Compliance Plan will be submitted to the MSA for approval within 60 days following a change in circumstance which requires a change to the Compliance Plan, or as soon as practicable when a change in the Plan is made for a reason other than a change of circumstances. [Code of Conduct, Part 4, Division 1, #33]

On receipt of a proposed change to a Compliance Plan, the MSA may approve it, with or without changes and with or without terms and conditions and may direct other changes to be made to the Compliance Plan. [Code of Conduct, Part 4, Division 1, #33]

As soon as practicable after changes to the Compliance Plan have been approved, ENMAX Power will send a copy to its Affiliated Retailers (other than ENMAX Energy) and ENMAX Power and ENMAX Energy will notify their respective officers, employees, agents, and contractors who are affected by the change. [Code of Conduct, Part 4, Division 1, #33]

**Compliance Mechanism 64:** All Personnel will receive an electronic link to the amended Compliance Plan in their e-mail. Personnel who do not have ready access to e-mail will receive a paper copy of the Compliance Plan from their supervisor.

### **34. Quarterly and annual compliance reports**

Compliance status reports will be given to the Chief Executive Officer of ENMAX Power and the Vice-President of ENMAX Energy by the Director, Compliance regularly as required.

Quarterly compliance reports will be given by the Chief Executive Officer of ENMAX Power and the Vice-President of ENMAX Energy to their respective Boards of Directors, with a copy to the MSA and will contain at least the following information:

- Any non-compliance with the Code of Conduct or the Compliance Plan;
- Actions taken to remedy the non-compliance; and
- Any complaints of non-compliance with the Code of Conduct or the Compliance Plan and the way in which the complaints have been dealt with. [Code of Conduct, Part 4, Division 1, #34]

Annual compliance reports given by the Chief Executive Officer of ENMAX Power and the Vice-President of ENMAX Energy and approved by their respective Boards of Directors, will be given to the MSA within 30 days following the end of the calendar year, or such other period as the MSA may allow, and will contain at least the following information:

- Any non-compliance with the Code of Conduct or the Compliance Plan;
- Actions taken to remedy the non-compliance;
- Any complaints of non-compliance with the Code of Conduct or this Compliance Plan and the way in which the complaints have been dealt with. [Code of Conduct, Part 4, Division 1, #34]

### **35. Information about MSA**

It is the responsibility of ENMAX Power and ENMAX Energy to inform the public of the role of the MSA. Specifically, ENMAX Power and ENMAX Energy will give notice to the public that complaints about contraventions of the Code of Conduct Regulation may be made to the MSA. [Code of Conduct, Part 4, Division 1, #35]

The notice will be given so that the greatest number of people will be aware of it, the notice must make clear that the MSA is an independent body and the notice must be approved by the MSA before it is given to the public. [Code of Conduct, Part 4, Division 1, #35]

**Compliance Mechanism 65:** The notice will be communicated in the following ways:

- The notice will be included in the utility bill annually. The “message centre” portion of the bill will direct Customers to see the “Current Comments” newsletter which will contain the notice.
- The notice will also be posted on the ENMAX website.

**Compliance Mechanism 66:** The following notice will be given to the public about the role of the MSA, with appropriate revisions in the event of changes in the MSA’s contact information:

“The Market Surveillance Administrator (“MSA”) is an independent body created under the *Electric Utilities Act* and continued under the *Alberta Utilities Commission Act* to help ensure the fair, efficient and openly competitive operation of Alberta’s electricity markets. The Code of Conduct Regulation governs aspects of the retail electricity market, including the conduct of owners of electric distribution systems and affiliated retailers. Any person who feels that a contravention of this Regulation has occurred may submit a complaint to the MSA, by following the process set out in section 41 of the *Alberta Utilities Commission Act*. Copies of these Acts and this Regulation may be obtained through the Queen’s Printer (Alberta). The MSA can be reached by telephone at (403) 705-3181. For additional information with regard to the MSA, please visit its website at [www.albertamsa.ca](http://www.albertamsa.ca).”

### **36. Publication of Plan or reports**

The MSA may make available to the public some or all of the contents of the Compliance Plan and the annual compliance reports of ENMAX Power and ENMAX Energy. [Code of Conduct, Part 4, Division 1, #36]

### **37. No release from obligations under regulation**

#### **Division 2 Compliance Audit**

ENMAX Power and ENMAX Energy will meet the audit obligations of the Code, as directed by the MSA.

### **38. Appointment of the auditor**

Heading retained for numbering consistency as this section of the Act is not applicable to the operations of ENMAX Energy or ENMAX Power.

### **39. Approval of audit plan required**

Heading retained for numbering consistency as this section of the Act is not applicable to the operations of ENMAX Energy or ENMAX Power.

### **40. Audit**

ENMAX Power and ENMAX Energy will allow the auditor sufficient access to their respective information to perform the required audit. [Code of Conduct, Part 4, Divison 2, #40]:

**Compliance Mechanism 67:** The following procedures will apply for auditor access to Personnel and records (however and wherever held):

- The Director, Compliance will alert the Chief Executive Officer of ENMAX Power and the Vice-President of ENMAX Energy of the dates that the audit will be performed. Senior officers of ENMAX Power and ENMAX Energy will then send an e-mail message to their respective Personnel asking for their full attention and co-operation on behalf of the auditor.
- The Director, Compliance will provide to the auditor the names of all relevant Individual Personnel along with their telephone numbers and e-mail addresses so that these individuals may be contacted directly.

**Compliance Mechanism 68:** ENMAX Power and ENMAX Energy will allow the auditor sufficient access to their respective information systems and those of their Personnel to perform the required audit. The following procedures will apply for auditor access to information systems:

- The Director, Compliance will alert the Chief Information Officer of ENMAX of the dates that the audit will be performed. The Chief Information Officer will then send an electronic message to all Information Technology employees, who manage ENMAX Power's and ENMAX Energy's information systems, asking for their full attention and co-operation on behalf of the auditor.
- The Director, Compliance will provide to the auditor the names of all relevant Individual Personnel, along with their telephone numbers and e-mail addresses so that these officers and employees may be contacted directly.

#### **41. Audit report**

Heading retained for numbering consistency as this section of the Act is not applicable to the operations of ENMAX Energy or ENMAX Power.

### **PART 5 COMPLAINTS, EXEMPTIONS AND EXCEPTIONS**

#### **42. When complaints referred to AUC**

Heading retained for numbering consistency as this section of the Act is not applicable to the operations of ENMAX Energy or ENMAX Power.

#### **43. Alternative compliance arrangements**

Complaints of non-compliance may be dealt with through the procedure for voluntary resolution of complaints, set out below.

ENMAX Power and ENMAX Energy will make every reasonable effort to resolve non-compliance complaints against them in accordance with the procedures set out in this Compliance Plan for the voluntary resolution of complaints.

**Compliance Mechanism 69:** For all channels through which a complaint may be made, a mechanism shall be established for the complainant to lodge a formal written complaint with the Director, Compliance. In the absence of a formal complaint, the information provided by the complainant will be escalated in accordance with Compliance Mechanism 5 under Part 2, Section 3 above. Even where the complainant has not chosen to lodge a formal complaint, the information provided to the Director, Compliance may be sufficient, in the Director's opinion, to be deemed a formal complaint which will be investigated and resolved.

**Compliance Mechanism 70:** If a Customer wishes to file a complaint with ENMAX Energy or ENMAX Power in regard to the handling of their Customer Information, ENMAX Encompass will follow a documented process entitled the Compliance Complaint Process (attached as part of Appendix 3) which identifies key stakeholders within both organizations who are responsible for investigating, responding to, and escalating to the Director, Compliance (if Code of Conduct involvement is suspected) these complaints.

**Compliance Mechanism 71:** The Director, Compliance will manage the investigation and resolution of the complaint for ENMAX Power or ENMAX Energy, as applicable. The Director, Compliance may appoint an investigative team which may include the individual who received the complaint, the individual complained of (if applicable), the supervisor of the business practice complained of (if applicable), the team leader of the business unit accountable for the response, and any other individual who, in the Director's opinion, could assist the investigation. Personnel are responsible for cooperating with the Director, Compliance or the MSA in the conduct of the complaint resolution process. The complainant will be notified in writing of the outcome of the investigation of the complaint and the ultimate resolution of the complaint.

**Compliance Mechanism 72:** All complaints (formal or otherwise) will be logged by the Director, Compliance. The Director, Compliance will maintain a paper and/or an

electronic file with respect to each complaint. Ad hoc reporting of complaints (i.e., in advance of the mandatory reporting of complaints) to the MSA and/or the AUC will be performed by the Director, Compliance in the Director's discretion, taking into account the severity of the complaint and the state of its investigation, however transparency will be a guiding principle in all of ENMAX Power's and ENMAX Energy's Code of Conduct dealings. Details of the complaint and its investigation may be deemed to be confidential or to constitute Customer Information. In that event, all protections afforded to that information at law, including under privacy legislation and the Code of Conduct, will be observed when reporting to the MSA or the AUC on an ad hoc, quarterly, or annual basis.

**Compliance Mechanism 73:** The log and/or files of pending and resolved complaints kept by the Director, Compliance will specify:

- The nature of each complaint
- The date each complaint was made
- If and how each complaint was resolved; and
- A description of any remedial action taken.

**See Compliance Mechanism 5 above.**

#### **44. Emergency exceptions**

Any action taken by ENMAX Power or ENMAX Energy in response to an emergency that threatens public safety, the safety of its officers, employees, agents or contractors, the physical integrity of its facilities or system reliability does not contravene the Code of Conduct or the Compliance Plan. [Code of Conduct, Part 5, #44]

**Compliance Mechanism 74:** Any emergency action which, but for Section 44 of the Code of Conduct would constitute a contravention of the Code of Conduct will be brought to the attention of the Director, Compliance, recorded by the Director and reported to the MSA on an ad hoc, quarterly, or annual basis as appropriate or required.

## **PART 6 TRANSITIONAL PROVISIONS, REPEAL AND COMING INTO FORCE**

#### **45. Definition**

Heading retained for numbering consistency as this section of the Act is not applicable to the operations of ENMAX Energy or ENMAX Power.

#### **46. Consents continued**

Heading retained for numbering consistency as this section of the Act is not applicable to the operations of ENMAX Energy or ENMAX Power.

#### **47. Repeal**

Heading retained for numbering consistency as this section of the Act is not applicable to the operations of ENMAX Energy or ENMAX Power.

#### **48. Expiry**

Heading retained for numbering consistency as this section of the Act is not applicable to the operations of ENMAX Energy or ENMAX Power.

#### **49. Coming into force**

This Compliance Plan, first adopted by ENMAX Power and ENMAX Energy effective as of the 25<sup>th</sup> day of June, 2004, is revised effective as of the 23rd day of December, 2009.

#### **ENMAX Power Corporation**

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Rick Ehlers  
Chief Executive Officer  
ENMAX Power Corporation

#### **ENMAX Energy Corporation**

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Gary Holden  
President and Chief Executive Officer  
ENMAX Energy Corporation



## APPENDIX 1

### ENMAX Power Business Functions in the Municipalities

Wires Owner Roles / Settlement Zone	Wires Owner (WO)	Wires Service Provider (WSP)*	Meter Service Provider (MSP) *	Meter Data Management Agent (MDMA) *	Load Settlement Agent / Distn Tariff Bill*	Default Supplier/ Regulated Rate Provider Retailer
Calgary	ENMAX Power	ENMAX Power	ENMAX Power	ENMAX Power	ENMAX Power	ENMAX Energy (appointed by ENMAX Power)
Cardston (AMPS)	Town of Cardston	Town of Cardston	Town of Cardston	Contracted to ENMAX Power**	Contracted to ENMAX Power	ENMAX Energy (appointed by Town of Cardston)
Fort Macleod (AMPS)	Town of Fort Macleod	Town of Fort Macleod	Town of Fort Macleod	Contracted to ENMAX Power**	Contracted to ENMAX Power	ENMAX Energy (appointed by Town of Fort Macleod)
Crowsnest Pass (AMPS)	Town of Crowsnest Pass	Town of Crowsnest Pass	Town of Crowsnest Pass	Contracted to ENMAX Power**	Contracted to ENMAX Power	ENMAX Energy (appointed by Town of Crowsnest Pass)
Ponoka (AMPS)	Town of Ponoka	Town of Ponoka***	ATCO	Simmarix	Simmarix***	ENMAX Energy (appointed by Town of Ponoka)
Red Deer	City of Red Deer	City of Red Deer	City of Red Deer	Interval - City of Red Deer Cumulative - Contracted to ENMAX Power**	Contracted to ENMAX Power	ENMAX Energy (appointed by City of Red Deer)

\* now part of the Owner function.

\*\* Meter reading is performed under contract for ENMAX Power by a third party service provider. Currently, the provider is Dataco Utility Services Ltd., an unaffiliated third party contractor for all Settlement Zones with the exception of the Town of Ponoka wherein the third party service provider at this time is ATCO Meter Reading.

\*\*\* As of October 1, 2009, ENMAX Power will fulfill this role.

## **APPENDIX 2**

### **Non-Confidential Supporting Documents**

## **APPENDIX 3**

### **Confidential Supporting Documents**