



EPCOR Utilities Inc.

EPCOR Inter-Affiliate Code of Conduct Compliance Plan

September 19, 2014



The Alberta Utilities Commission
Decision 2014-270: EPCOR Utilities Inc.
EPCOR Inter-Affiliate Code of Conduct Compliance Plan
Application No. 1610773
Proceeding No. 3366

September 19, 2014

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1 Introduction

1. On August 6, 2014, EPCOR Utilities Inc. (EPCOR) filed with the Alberta Utilities Commission (AUC or the Commission) a revised EPCOR inter-affiliate code of conduct compliance plan (revised compliance plan), required as a result of Decision [2014-045](#).¹
2. On August 13, 2014, the Commission issued a notice of application. Any party who wished to intervene in this proceeding was requested to submit a statement of intent to participate (SIP) to the Commission by the participation closing deadline of August 27, 2014.
3. The Commission did not receive any SIPs.
4. For purpose of this proceeding, the Commission considers that the record closed on August 27, 2014.

2 Commission findings

5. In Decision 2014-045, the Commission approved the appointment of EPCOR Energy Alberta GP Inc. (EEA GPI), in its capacity as the general partner of EPCOR Energy Alberta Limited Partnership (EEA LP), to provide regulated rate option service to eligible customers within EPCOR Distribution & Transmission Inc.'s and FortisAlberta Inc.'s distribution service areas, once the restructuring described in the decision has taken place. The revised compliance plan describes the restructuring as follows:

On September 5, 2013, EPCOR Energy Alberta Inc. ("EEAI") and EPCOR Energy Alberta Limited Partnership ("EEA LP") by its general partner EPCOR Energy Alberta GP Inc. ("EEA GPI") applied to the Alberta Utilities Commission ("AUC" or formerly known as the "EUB") requesting approval for EEA LP, by its general partner EEA GPI, to provide regulated rate option ("RRO") and default supply services to electricity customers within the EDTI and FortisAlberta Inc. service area and to several rural electrification associations in central Alberta. EEA GPI is also a Utility as defined in the EPCOR Code. This application was approved by the AUC in Decision 2014-045 on February 26, 2014. EEA LP is referred to in this Plan as "EPCOR RRP".²

¹ Decision 2014-045: EPCOR Energy Alberta Inc. and EPCOR Energy Alberta GP Inc., Approval of Arrangement to Provide Regulated Rate Option Service, Application No. 1609903, Proceeding No. 2818, February 26, 2014.

² Exhibit No. 2, The EPCOR Inter-Affiliate Code of Conduct Compliance Plan, August 6, 2014, Section 1.

6. In Decision 2014-045, the Commission made the following determination with respect to the EPCOR inter-affiliate code of conduct (the EPCOR code of conduct³):

71. Considering the above and the applicants' submission that the proposed restructuring does not give rise to any issues under the EPCOR code of conduct approved in Decision 2004-010 or the *Code of Conduct Regulation*, the Commission is satisfied that the limited partnership is covered by the EPCOR code of conduct.⁴

7. The Commission notes that EEA GPI is a "Utility" as defined in Section 2.1(dd) of the revised compliance plan:

- (dd) **"Utility"** means any Body Corporate or any unit or division thereof, that provides a Utility Service and falls within the definition of:
- (i) "electric utility" under the *Electric Utilities Act*, S.A. 2003, c. E-5.1;
 - (ii) "gas utility" under the *Gas Utilities Act*, R.S.A. 2000, c. G-5; or
 - (iii) "public utility" under the *Public Utilities Board Act*, R.S.A. 2000, c. P-45.
 - (iv) "regulated rate provider" under the *Electric Utilities Act*, S.A. 2003, c. E-5.1; or
 - (v) "default supply provider" under the *Gas Utilities Act*, R.S.A. 2000, cl G-5.⁵

8. In addition, as defined in Section 2.1(b) of the revised compliance plan, EEA LP is an "Affiliate":

- (b) **"Affiliate"** means with respect to Utilities in the EPCOR Group:
- (i) an "affiliate" as defined in the ABCA [*Business Corporations Act*, R.S.A. 2000 c. B-9];
 - (ii) a unit or division within a Utility or any Body Corporate referred to in clause (b) (i) above;
 - (iii) a partnership, joint venture, or Person in which a Utility or any Body Corporate referred to in clause (b) (i) above has a controlling interest or that is otherwise subject to the control of a Utility or such Body Corporate;
 - (iv) any partnership, joint venture, or Person deemed by the EUB to be an Affiliate of a Utility in the EPCOR Group for the purposes of the Code; and
 - (v) an agent or other Person acting on behalf of any Body Corporate, operating division, partnership, joint venture or Person referred to in clauses (b) (i) to (iv) above.⁶

9. The Commission confirms that, in relation to concerns addressed in Decision 2014-045, EEA LP is covered under Section 2.3 of the revised compliance plan:

2.3 To Whom this Plan Applies

All directors, officers, employees, consultants, contractors and agents of each Utility in the EPCOR Group are obligated to comply with this Plan and all directors, officers, employees, consultants, contractors and agents of Affiliates of such Utilities are obligated to comply with this Plan to the extent they interact with a Utility.⁷

³ Decision 2004-010: EPCOR Utilities Inc., Code of Conduct and Exemption Application, Application No. 1316005, February 3, 2004.

⁴ Decision 2014-045, page 12, paragraph 71.

⁵ Exhibit No. 2, The EPCOR Inter-Affiliate Code of Conduct Compliance Plan, August 6, 2014, Section 2.1.

⁶ Ibid.

⁷ Exhibit No. 2, The EPCOR Inter-Affiliate Code of Conduct Compliance Plan, August 6, 2014, Section 2.3.

10. The revised compliance plan has been reviewed, and the Commission is satisfied that the plans continues to meet the requirement of the EPCOR code of conduct.

11. The Commission notes wording changes in Section 2.1(i), where “Conduct Leader, EPCOR Energy Alberta Inc.” was replaced by “EPCOR Energy Alberta GP Inc.,” reflecting the restructuring mentioned above. Also, “Conduct Leader, EPCOR Merchant and Capital L.P. and EMCC Limited” was removed, and “Conduct Leader, 1772387 Alberta Limited Partnership” was added. “1772387 Alberta Limited Partnership” reflects EPCOR’s new competitive retailer affiliate operating as “ENCOR” under a service level agreement, effective May 20, 2014.

12. No other material change was found in the revised compliance plan.

13. Accordingly, the Commission approves the revised EPCOR inter-affiliate code of conduct compliance plan, dated August 6, 2014. The revised compliance plan should be posted on the EPCOR website.

3 Order

14. It is hereby ordered that:

- (1) The Commission approves the revised EPCOR inter-affiliate code of conduct compliance plan, dated August 6, 2014. The revised compliance plan should be posted on the EPCOR website.

Dated on September 19, 2014.

The Alberta Utilities Commission

(original signed by)

Anne Michaud
Commission Member

Appendix 1 – Proceeding participants

Name of organization (abbreviation) counsel or representative
EPCOR Utilities Inc. (EPCOR) N. Lamers K. Zeissler
The Alberta Utilities Commission Commission Panel A. Michaud, Commission Member Commission Staff A. Sabo (Commission counsel) L. Maruejols