



Apex Utilities Inc.

**Code of Conduct Regulation
Compliance Plan Amendments**

March 24, 2021

Alberta Utilities Commission

Decision 26302-D01-2021

Apex Utilities Inc.

Code of Conduct Regulation

Compliance Plan Amendments

Proceeding 26302

Application 26302-A001

March 24, 2021

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The Commission may, within 30 days of the date of this decision and without notice, correct typographical, spelling and calculation errors and other similar types of errors and post the corrected decision on its website.

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1 Introduction

1. Apex Utilities Inc. (AUI) filed an application with the Alberta Utilities Commission on February 8, 2021, requesting approval of changes to its *Code of Conduct Regulation* Compliance Plan, pursuant to Section 32 of the *Code of Conduct Regulation*.¹
2. The Commission issued a notice of application on February 19, 2021, asking for statements of intent to participate by March 5, 2021. No submissions were received by the deadline.
3. The Commission considers the record of this proceeding to have closed on March 5, 2021.
4. In reaching the determinations contained within this decision, the Commission has considered all relevant materials comprising the record of this proceeding. Accordingly, references in this decision to specific parts of the record are intended to assist the reader in understanding the Commission's reasoning relating to a particular matter and should not be taken as an indication that the Commission did not consider all relevant portions of the record with respect to that matter.

2 Background

5. Subsection 32(2) of the *Code of Conduct Regulation* states:

A change to a compliance plan must be submitted to the Commission for approval

 - (a) within 60 days following a change in circumstances or an amendment to this Regulation that requires a change to a compliance plan, or
 - (b) as soon as practicable when a change to the plan is made for a reason other than a reason referred to in clause (a).
6. Effective November 12, 2020, the *Code of Conduct Regulation* was amended to remove or update the following required sections from utilities' *Code of Conduct Regulation* compliance plans:
 - (i) Section 8 (Meetings between distributors or regulated rate suppliers and retailers and customers),
 - (ii) Section 25 (Records and accounts);

¹ Alberta Regulation 58/2015, as amended.

- (iii) Section 26 (Written financial transactions);
- (iv) Section 27 (Records of transactions for goods and services);
- (v) Section 28 (Maintaining records); and
- (vi) Section 33 (Quarterly and annual compliance reports) was also edited to remove quarterly reporting requirements.

7. Pursuant to Subsection 32(2) of the *Code of Conduct Regulation*, AUI seeks approval of changes to its compliance plan to reflect the removal and amendments to the aforementioned sections. AUI has also made some minor administrative changes, including changes to the numberings of sections, for consistency with the removed sections.

8. AUI submitted that changes to its compliance plan are minor and made to reflect the changes to the *Code of Conduct Regulation*. AUI made the proposed changes in an amended version of its compliance plan, which was filed with the application in both a blackline and clean version.

3 Findings

9. Subsection 32(3) of the *Code of Conduct Regulation* states:

On receipt of a proposed change to a compliance plan, the Commission may

- (a) approve the proposed change, with or without changes and with or without conditions,
- (b) direct other changes to be made to the compliance plan, or
- (c) refuse to approve the proposed change.

10. The Commission is satisfied that the removal of the affected sections and other administrative amendments made by AUI, as set out above, are consistent with continued compliance with, and sufficiently address the requirements of, the *Code of Conduct Regulation*.

11. However, the Commission is concerned that the compliance plan contains no provision for the creation and retention of the records required for the Commission to carry out its future audits, as required under Section 40 of the *Code of Conduct Regulation*. Therefore, the Commission directs AUI to include the following text under 'PART 8 COMPLIANCE AUDIT' in its *Code of Conduct Regulation* Compliance Plan:

AUI will keep records and accounts in relation to its Gas Distribution Service and Default Gas Supply Services in accordance with generally accepted accounting principles and any guidelines for uniform system of accounting and/or recordkeeping required by the Commission. AUI will endeavour to ensure there is appropriate transparency as to the costs and revenues attributable to Gas Distribution Service and Default Gas Supply Services functions.

Consistent with Section 5.5.3, from time to time, or as otherwise directed by the Commission or applicable legislation, AUI will request approval of a Gas

Distribution Service tariff or revisions (e.g. Riders), as appropriate. The request will also document, separate, and/or allocate any costs and accounts attributable to the Default Gas Supply Services, including costs and benefits attributable to joint acquisitions or dispositions with AUI's Gas Distribution Services function, as applicable, and request recovery of the identified amounts through a Default Supply Provider Administration Fee (DSP Admin Fee). The DSP Admin Fee will only be recoverable from those AUI Customers receiving Default Gas Supply Services;

Unless otherwise directed by the Commission, approval of a Gas Distribution Service tariff and DSP Admin Fee will be considered sufficient separation of records and accounts for purposes of this Compliance Plan; and

The Vice President, Financial Services & Regulatory Affairs, will ensure records and accounts of the transaction(s) are kept in accordance with generally accepted accounting principles and any guidelines or uniform system of accounting required by the Commission. The records and accounts will be made available for audit purposes.

AUI will keep records, accounts, records of Financial Transactions, reports and plans required under the Regulation or this Compliance Plan for a minimum of 10 years.

The Compliance Officer will arrange for the safekeeping and, when applicable, the appropriate disposal of all records and reports required under the Regulation and this Compliance Plan.

12. The revised compliance plan is to be filed under Direction 26302-D01-2021-0001 by April 7, 2021.

4 Order

13. It is hereby ordered that:

- (1) The Apex Utilities Inc. *Code of Conduct Regulation* Compliance Plan is approved with the changes directed by the Commission in this decision, effective April 1, 2021.

Dated on March 24, 2021.

Alberta Utilities Commission

(original signed by)

Carolyn Hutniak
Commission Member