



FortisAlberta Inc.

**Code of Conduct Regulation
Compliance Plan Amendments**

July 29, 2021

Alberta Utilities Commission

Decision 26497-D01-2021

FortisAlberta Inc.

Code of Conduct Regulation

Compliance Plan Amendments

Proceeding 26497

Application 26497-A001

July 29, 2021

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The Commission may, within 60 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. Pursuant to Section 32 of the *Code of Conduct Regulation*,¹ FortisAlberta Inc. filed an application with the Alberta Utilities Commission on April 28, 2021, requesting approval of changes to its Compliance Plan to *Code of Conduct Regulation* (A.R. 58/2015) (Compliance Plan).
2. The Commission issued a notice of application on May 4, 2021, asking for statements of intent to participate by May 18, 2021. No submissions were received by the deadline. The Commission considers the record of this proceeding to have closed on May 18, 2021.
3. 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

4. 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).
5. 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:
 - (a) Section 8 (Meetings between distributors or regulated rate suppliers and retailers and customers);
 - (b) Section 25 (Records and accounts);
 - (c) Section 26 (Written financial transactions);
 - (d) Section 27 (Records of transactions for goods and services);
 - (e) Section 28 (Maintaining records); and

¹ Alberta Regulation 58/2015, as amended.

- (f) Section 33 (Quarterly and annual compliance reports) was also edited to remove quarterly reporting requirements.

6. Pursuant to Subsection 32(2) of the *Code of Conduct Regulation*, FortisAlberta seeks approval of changes or additions to the Compliance Plan to reflect: the removal and amendments to the aforementioned sections of the *Code of Conduct Regulation*; certain minor administrative changes; and its recently implemented annual refresher training requirement for all employees and officers. The Compliance Plan was filed with the application in both a blackline and clean version.

3 Commission findings

7. Section 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.

8. Subject to the limitation expressed below, the Commission is satisfied that the removal of the affected sections and the other proposed amendments to the Compliance Plan, are consistent with continued compliance with, and sufficiently address the requirements of, the *Code of Conduct Regulation*.

9. However, 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*. Accordingly, the Commission directs FortisAlberta to include the following text in *Division 3 Compliance Audit*, of its Compliance Plan after the policy statement in Section 40.0 “Audit”:

FortisAlberta will retain all code of conduct compliance records listed under Appendix A to the Compliance Plan for at least three years. The Commission may amend Appendix A from time to time on notice and absent a registered objection, the proposed changes to the appendix will take effect within 10 business days from the date of the notice.

10. The code of conduct compliance records to be listed under Appendix A to the Compliance Plan, are as follows:

- (a) Internal reporting documents including internal compliance assessment, Compliance Committee/Board minutes, compliance reports to Board;
- (b) Training materials;
- (c) Record of training;
- (d) Compliance acknowledgements;
- (e) On-boarding/off-boarding processes and documentation;
- (f) Record of employee transfers;

- (g) Employee/contractor listing;
- (h) Customer consent to disclose information;
- (i) Customer enrollment records;
- (j) Promotional materials;
- (k) IT security reports including system access rights reports or system change reports where applicable;
- (l) Agreements and contracts;
- (m) Record of cost allocation and transactions between regulated and unregulated business units, divisions, or affiliated entities; and
- (n) Audited financial statements including annual financial statement audit reports.

11. Due to the repeal of AUC Rule 030: *Compliance with the Code of Conduct Regulation* on April 1, 2021, the Commission also directs FortisAlberta to change the following provisions in the Compliance Plan:

- (a) Section 1.0 Definitions – remove subsection (d) “AUC Rule 030” ;
- (b) Section 33.0 Annual compliance reports – Remove reference to AUC Rule 030 from Mechanism 1 and remove Mechanism 2, which is no longer required.
- (c) Section 40.0 Audit – The policy statement under this section should be updated to reference AUC Rule 006 rather than AUC Rule 030 in addressing matters relating to audit costs.

12. The Compliance Plan, with the above directed changes, is to be filed under Direction 26497-D01-2021-0001 by August 13, 2021.

4 Order

13. It is hereby ordered that:

- (1) The FortisAlberta Inc. Compliance Plan to *Code of Conduct Regulation* (A.R. 58/2015) is approved with the changes directed by the Commission in this decision, effective August 20, 2021.

Dated on July 29, 2021.

Alberta Utilities Commission

(original signed by)

Carolyn Hutniak
Commission Member