



Town of Cardston

Varied Code of Conduct Compliance Plan

December 16, 2016

Alberta Utilities Commission

Decision 21648-D01-2016

Town of Cardston

Varied Code of Conduct Compliance Plan

Proceeding 21648

Application 21648-A001

December 16, 2016

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1 Introduction

1. On May 30, 2016, the Town of Cardston filed an application¹ with the Alberta Utilities Commission seeking approval of a varied code of conduct compliance plan, a varied schedule for non-compliance reporting and a varied schedule for compliance plan audits. The compliance plan was prepared pursuant to the *Code of Conduct Regulation* and Rule 030: *Compliance with the Code of Conduct Regulation*.

2. The Commission issued a notice of application on the same day and requested written submissions by June 14, 2016.² The Commission received no submissions regarding the application. On August 3, 2016, the Commission issued information requests³ (IRs) to the Town of Cardston. The IR responses,⁴ along with a revised compliance plan,⁵ were filed on August 26, 2016.

3. The Commission considers the record of this proceeding to have closed on August 26, 2016. In reaching the determinations set out 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 a particular matter.

2 Varied code of conduct compliance plan

4. The *Code of Conduct Regulation* came into effect on January 1, 2016. The Town of Cardston, as a distributor and a regulated rate supplier, was required to file a compliance plan with the Commission in sufficient time for the Commission to consider and approve the compliance plan before January 1, 2017.

5. Subsection 37(1)(a) of the *Code of Conduct Regulation* authorizes the Commission to make a rule to vary the requirements of Subsection 30(4) "in the case of a distributor with a small number of customers...". On March 31, 2016, the Commission issued Bulletin 2016-11 approving Rule 030, which came into effect on April 1, 2016. Subsection 3(1) of Rule 030 provides that a distributor that has 5,000 customers or less may file a varied compliance plan. Subsection 3(3) of Rule 030 requires a varied plan to include at least the following:

¹ Exhibit 21648-X0002, Application, May 30, 2016.

² Exhibit 21648-X0006, Notice of application, May 31, 2016.

³ Exhibit 21648-X0008, Information request – Town of Cardston, August 3, 2016.

⁴ Exhibit 21648-X0009, 2016-08-26 Cardston Responses to AUC IRs, August 26, 2016.

⁵ Exhibit 21648-X0010, AUC-Cardston-2016Aug26-002 a) Attachment - Blackline, August 26, 2016.

- (a) A list of the distributor's affiliated providers.
- (b) A description of how the notice required by Section 34 of the *Code of Conduct Regulation* will be given to the public.
- (c) A description of the procedure that may be used for the voluntary resolution of complaints about non-compliance with the *Code of Conduct Regulation* or the compliance plan.

6. Sections 3(3)(a), 3(3)(b) and 3(3)(c) of Rule 030 correspond to the compliance plan requirements in sections 30(4)(a), 30(4)(i), and 30(4)(j) of the *Code of Conduct Regulation* respectively.

7. The Town of Cardston is a distributor to 1,560 customer sites.⁶ The compliance plan filed with the Commission was prepared as a varied compliance plan in accordance with Subsection 3(1) of Rule 030.

8. The Commission has reviewed the application of the Town of Cardston, including the requests for a varied schedule for non-compliance reporting and for a varied schedule for compliance plan audits, the IR responses and the revised varied compliance plan. Some issues from the application and the revised compliance plan require additional discussion and comment and are discussed below.

2.1 Varied schedule for non-compliance reporting to the municipal council

9. In its application,⁷ the Town of Cardston requested the Commission's approval to vary the interval of non-compliance reporting to the municipal council from a quarterly basis, as required by Section 33(1) of the *Code of Conduct Regulation*, to an annual basis.

10. The Town of Cardston advised that these type of reports will be prepared for and reviewed by the municipal council but that "[s]ince the Town of Cardston has not experienced a non-compliance event, and does not anticipate any, the Municipal Council confirmed that it would accept an annual schedule of reporting as contemplated in Section 33(2) subject to the Commission's authority to grant a variance through Section 37(1)(b)."⁸

11. The Town of Cardston submitted⁹ that preparing the quarterly reports will impose a meaningful administrative burden on it without providing any public interest benefit. The Town of Cardston acknowledged that, under Section 4 of Rule 030, it is obliged to file a compliance report with the Commission within 30 days of becoming aware of any incident of non-compliance with the *Code of Conduct Regulation* or the compliance plan. Given these requirements, the Town of Cardston stated that "[i]n the event that it became necessary to file such a report, the Municipal Council would be aware of that and would in the normal course be provided with the report that the Town [of Cardston] would be obliged to provide to the

⁶ Exhibit 21648-X0003, Compliance Plan, May 30, 2016, page 1.

⁷ Exhibit 21648-X0002, Application, May 30, 2016.

⁸ Exhibit 21648-X0002, Application, May 30, 2016, Section 4, page 2, PDF page 4.

⁹ Exhibit 21648-X0009, 2016-08-26-Cardston Responses to AUC IRs, AUC-CARDSTON-2016AUG03-001, August 26, 2016.

Commission. In practice the Municipal Council would therefore be immediately aware of any non-compliance problems, without the need for the quarterly scheduled compliance reports.”¹⁰

12. Section 33(1) of the *Code of Conduct Regulation* states:

33(1) Subject to section 37(1)(b), the senior management of each distributor, regulated rate supplier and affiliated provider of a distributor or regulated rate supplier shall in each quarter of a calendar year prepare a compliance report for the board of directors of the distributor, regulated rate supplier or affiliated provider that includes a description of

- (a) any non-compliance with this Regulation or the compliance plan,
- (b) the action taken to remedy any non-compliance, and
- (c) any complaints of non-compliance with the Regulation or the compliance plan, and how the complaints have been dealt with.

13. In addition to giving the Commission the authority to vary the content of compliance plans, Section 37 of the *Code of Conduct Regulation* also empowers the Commission to vary the intervals at which compliance reports are required under Section 33(1). However, Rule 030 does not provide for the possibility of changing the interval requirements specified for the quarterly reports to senior management of the distributor, regulated rate supplier or affiliated provider in Section 33(1).

14. For this reason, the Commission is unable to grant a variance to the requirements of the *Code of Conduct Regulation* as requested by the Town of Cardston. The quarterly reports are internal to and the responsibility of the Town of Cardston. The Commission expects that the varied schedule for reporting to the Commission will be adhered to by the Town of Cardston as set out in Section 4 of Rule 030.

2.2 Varied schedule of compliance plan audits

15. In its application, the Town of Cardston also requested that the Commission exempt it from audit for an initial period of 36 months as permitted by the *Code of Conduct Regulation*. The Town of Cardston stated that it was “concerned with the effect on its customers of the additional costs incurred to participate in the compliance audits” and although it recognized that a “varied compliance plan will limit the magnitude of costs, any cost associated with the audits will be incremental to the operation.”¹¹

16. Section 40(4) of the *Code of Conduct Regulation* states:

40(4) The Commission may, in accordance with its rules made under section 76 of the *Alberta Utilities Commission Act*, exempt an affiliated provider, distributor or regulated rate supplier from the application of subsection (1) for a period not exceeding 36 months.

17. Section 40(4) allows the Commission to make a rule to exempt an affiliated provider, distributor or regulated rate supplier from audit. The *Code of Conduct Regulation* contains no

¹⁰ Exhibit 21648-X0009, 2016-08-26 Cardston Responses to AUC IRs, AUC-CARDSTON-2016AUG03-001, August 26, 2016, page 4.

¹¹ Exhibit 21648-X0002, Application, May 30, 2016, Section 5, page 2, PDF page 4.

provisions for the Commission to consider an application for an audit exemption nor to approve a varied schedule for the audit requirement. An updated version of Rule 030, effective December 31, 2016, includes Section 6 which specifies the audit exemption periods for each entity subject to the *Code of Conduct Regulation*. Consequently, and pursuant to the narrow powers afforded to it under the *Code of Conduct Regulation*, the Commission will follow the audit schedule as set out in amended Rule 030.

2.3 Notice to the public

18. Section 34 of the *Code of Conduct Regulation* provides:

34(1) Each distributor, regulated rate supplier and affiliated provider of a distributor or regulated rate supplier shall give notice to the public in accordance with its compliance plan that complaints about contraventions of this Regulation may be made to the Commission or the Market Surveillance Administrator.

(2) The notice referred to in subsection (1) must

- (a) be approved by the Commission before it is given to the public,
- (b) be given in a manner that ensures that the greatest number of people will become aware of it, and
- (c) make clear that the Commission and the Market Surveillance Administrator are independent of distributors, regulated rate suppliers and affiliated providers.

19. In IR Cardston-AUC-2016AUG03-004, the Commission requested that the Town of Cardston provide the notice that the Commission must approve and to explain why wording similar to that proposed in the template for a varied compliance plan from the AUC website could not be used.

20. In its response,¹² the Town of Cardston provided its proposed notice and stated that the notice was left generic intentionally in order to recognize “the Regulated Rate Tariff services relationship with ENMAX Power Corporation and the Distribution Tariff billing service provided by ENMAX Power Corporation.” Further, the Town of Cardston stated that it recognized the need to have the notice approved by the Commission and that it had updated its varied plan¹³ as follows:

9. Town of Cardston will provide the following notice to the public that complaints about contraventions of the Code of Conduct Regulation or this compliance plan may be made to the Commission or the Market Surveillance Administrator to ensure that the greatest number of people will become aware of it:

Complaints about contraventions of the Code of Conduct Regulation may be made to the Alberta Utilities Commission or the Market Surveillance Administrator. The Alberta Utilities Commission can be reached by contacting 1-780-427- 4903 or consumer-relations@auc.ab.ca. The Market Surveillance

¹² Exhibit 21648-X0009, 2016-08-26 Cardston Responses to AUC IRs, August 26, 2016.

¹³ Exhibit 21648-X0010, AUC-Cardston-2016Aug26-002a) Attachment- Blackline, August 26, 2016, page 2.

Administrator can be reached by contacting 1-403-705-3181 or compliance@albertamsa.ca. The Alberta Utilities Commission and the Market Surveillance Administrator are independent of the Town of Cardston and the regulated rate suppliers and affiliated providers. For general and billing inquiries, refer to the contact information on this bill.

The approved notice would also be incorporated into the Code of Conduct section of the Tariffs page of the Town of Cardston website.

21. The Commission finds that the proposed wording for the Town of Cardston's notice and its proposal to post the notice on its website are sufficient to satisfy the requirements of Section 34 of the *Code of Conduct Regulation*. The Town of Cardston is directed to post the approved wording on its website.

3 Commission findings

22. The revised varied compliance plan meets the requirements for a varied compliance plan and is therefore approved by the Commission effective January 1, 2017. Section 31(4) of *Code of Conduct Regulation* also requires:

31(4) Each distributor, regulated rate supplier and affiliated provider of a distributor or regulated rate supplier shall, as soon as practicable after receiving the Commission's approval of its compliance plan, send a copy of the compliance plan

- (a) in the case of a distributor or regulated rate supplier, to the affiliated provider of the distributor or regulated rate supplier,
- (b) in the case of an affiliated provider of a distributor or regulated rate supplier, to the distributors or regulated rate suppliers of which it is an affiliated provider, and
- (c) to its officers, employees, agents and contractors affected by the plan.

23. The Commission directs the Town of Cardston to provide copies of the approved plan to the regulated rate provider, the Town of Cardston's officers, employees, agents and contractors affected by the plan and to post a copy on the Town of Cardston website.

24. For the reasons stated above, the Commission is unable to approve the request for a varied schedule for the quarterly reports to the municipal council and is unable to approve the request for a varied schedule for audits.

25. The Commission also wishes to remind the Town of Cardston of the following two reporting requirements. Under Section 4 of Rule 030, any non-compliance with the *Code of Conduct Regulation* or the compliance plan is to be reported to the Commission within 30 days of it becoming aware of a non-compliance. Under Subsection 33(2) of the *Code of Conduct Regulation* an annual compliance report is required and must be approved by the municipal council of the Town of Cardston and filed with the Commission within 90 days after the end of each calendar year with the first report due in March 2018 for the 2017 calendar year. For ease of reference, draft templates for the reports are posted on the Commission's website under Rule 030.

26. These documents should be filed as reports in the AUC's eFiling System as 'Code of conduct regulation – self reporting' or 'Code of conduct regulation – annual compliance report'.

4 Order

27. It is hereby ordered that:

- (a) The Town of Cardston varied compliance plan attached hereto as Appendix 1 is approved effective January 1, 2017.
- (b) The following wording and the method of providing notice to the public in paragraph 9 of the varied compliance plan attached hereto as Appendix 1, is approved:

Complaints about contraventions of the Code of Conduct Regulation may be made to the Alberta Utilities Commission or the Market Surveillance Administrator. The Alberta Utilities Commission can be reached by contacting 1-780-427- 4903 or consumer-relations@auc.ab.ca. The Market Surveillance Administrator can be reached by contacting 1-403-705-3181 or compliance@albertamsa.ca. The Alberta Utilities Commission and the Market Surveillance Administrator are independent of the Town of Cardston and the regulated rate suppliers and affiliated providers. For general and billing inquiries, refer to the contact information on this bill.

Dated on December 16, 2016.

Alberta Utilities Commission

(original signed by)

Anne Michaud
Commission Member

Appendix 1 – Town of Cardston varied Code of Conduct Regulation compliance plan



Town of Cardston
Code of Conduct Regu

(consists of 16 pages)

APPENDIX

Town of Cardston Compliance Plan Code of Conduct Regulation (AR 58/2015)

Introduction

1. The Town of Cardston owns and operates the electric distribution system and is the distributor for customers located within its Municipal boundary. This compliance plan has been prepared as a varied compliance plan in accordance with AUC Rule 030: *Compliance with Code of Conduct Regulation*, Section 3.
2. Town of Cardston currently has 1,560 customer sites to which it provides energy services, retail energy services or regulated energy services which is less than the 5,000 limit, as specified in Section 3(1) of Rule 030. The compliance plan in this Application has been prepared as a varied compliance plan in accordance with AUC Rule 030: *Compliance with Code of Conduct Regulation*, Section 3.
3. Some electricity services are provided by Town personnel while others are provided under arrangements with ENMAX Power Corporation (EPC) for wire services and ENMAX Energy Corporation (EEC) for Regulated Rate services. For reference, Appendix 1 to this compliance plan contains the relevant sections of the agreements between Town of Cardston and EPC and EEC.
4. The contact for compliance matters is:

Name: Jeff Shaw
Position: Chief Administrative Officer
Address: P.O. Box 280, Cardston AB, T0K 0K0
Phone Number: 403 653-3366
Email: jeff@cardston.ca
5. The following section numbering has been retained for consistency with Rule 030 and reference to the sections of the *Code of Conduct Regulation* are also provided:

3(3)(a) List of affiliated providers (*Code of Conduct Regulation* Section 30(4)(a))

6. The following is a list of the affiliated providers of the Town of Cardston as the distributor:
7. ENMAX Energy Corporation provides regulated energy services, as defined in Section 1(1)(n) of the *Code of Conduct Regulation*, to Town of Cardston customers.

8. The entities below provide retail energy services, as defined in Section 1(1)(q) of the *Code of Conduct Regulation*, to Town of Cardston customers and qualify as affiliated electricity retailers as defined in *Code of Conduct Regulation* Section 2(1)(a)(ii).

ENMAX Energy Corporation,
ENMAX Commercial Services Inc.,
ENMAX Commercial Energy Marketing Inc.

3(3)(b) Description of how the notice required by Section 34 of the Code of Conduct Regulation will be given to the public (*Code of Conduct Regulation* Section 30 (4) (i))

9. Town of Cardston will provide the following notice to the public that complaints about contraventions of the *Code of Conduct Regulation* or this compliance plan may be made to the Commission or the Market Surveillance Administrator to ensure that the greatest number of people will become aware of it:

Complaints about contraventions of the Code of Conduct Regulation may be made to the Alberta Utilities Commission or the Market Surveillance Administrator. The Alberta Utilities Commission can be reached by contacting 1-780-427- 4903 or consumer-relations@auc.ab.ca. The Market Surveillance Administrator can be reached by contacting 1-403-705-3181 or compliance@albertamsa.ca. The Alberta Utilities Commission and the Market Surveillance Administrator are independent of the Town of Cardston and the regulated rate suppliers and affiliated providers. For general and billing inquiries, refer to the contact information on this bill.

The approved notice would also be incorporated into the Code of Conduct section of the Tariffs page of the Town of Cardston website.

3(3)(c) Description of the procedure that may be used for the voluntary resolution of complaints about non-compliance (*Code of Conduct Regulation* Section 30(4)(j))

10. Should the Town of Cardston receive a complaint of non-compliance with the Code of Conduct Regulation, every reasonable effort will be made through the following process to resolve the complaint.
11. As referred to in paragraph 9 of this Compliance Plan, a Code of Conduct section will be created on the Electric Tariffs page of the Town of Cardston website.
12. In addition to the notice in 9, readers will be provided with the following description:

The Town of Cardston provides services to customers of its electric distribution system in compliance with the *Code of Conduct Regulation*. If you have

questions about the Code of Conduct or a complaint about the Town of Cardston compliance with the Code, there are several ways to contact us:

- Come to the Town Office service counter between 8:30am and 4:30pm
Weekdays,
- Call us at 403 653-3366, or
- Send us an email from our website at www.cardston.ca

In response to your query the Town of Cardston will make every effort to follow-up by contacting you within 5 business days. If we can't answer your question immediately, it may be necessary for the Town of Cardston Compliance Officer or designated personnel to contact you directly to further discuss the matter. Our goal is to be responsive to your query by contacting you or providing a written answer to you within 21 business days.

If necessary, the Town of Cardston will be committed to further discussions to reach resolution within 60 business days or an otherwise agreed to time. In the event satisfactory resolution is not found, the matter would be immediately referred to Town Council for consideration. Town Council may seek input on the matter from the Alberta Utilities Commission or Market Surveillance Administrator as required. After Council has reached a decision on the matter, the decision would be sent in writing to the complainant within 5 business days by fax, email or mail.

13. In support of reporting obligations per Regulation section 33(2), the Town of Cardston Compliance Officer will log all complaints and maintain for 6 years, records associated with the handling of a complaint through to resolution including:
 - The date each complaint was made
 - The nature of each complaint and the parties involved,
 - How the complaint was managed by the Town of Cardston
 - If resolution was achieved, how that occurred, and
 - What remedial action was taken
14. Compliance practice changes made as a result of a complaint will also be documented.

APPENDIX 1

Excerpt from Regulated Rate Services Agreement between Town of Cardston and ENMAX Energy Corporation: (Contract termination date amended to April 30, 2017)

Schedule "A" attached to and forming part of a Contract for Services between Cardston and ENMAX Energy Corporation

SERVICES

Capitalized terms used in this Schedule "A" and not defined herein are as defined in the Agreement, the Act or other applicable statute, the regulations made under any of them, or the *Settlement System Code* established under the rules of the AUC

1. Scope

ENMAX Energy will provide retail billing, customer care, and energy portfolio management services in its capacity as Cardston's exclusive appointee to perform all of the duties and functions of Cardston in respect of the Regulated Rate Option and as Cardston's exclusive appointee to perform certain duties and functions of Cardston in respect of the Default Supplier. ENMAX Energy will provide the Services in accordance with the following principles:

- To conduct business with fairness, honesty and integrity;
- To treat Customers with general courtesy and respect;
- To operate processes to promptly respond to Customers' suggestions, concerns, complaints and questions within a commercially reasonable timeframe;
- Where a response to a Customer request, suggestion, concern, complaint or questions is appropriate, to give that response within a commercially reasonable timeframe;
- To resolve Customers' needs through single point contact whenever commercially possible so Customers will not receive the "run around";
- To communicate with Customers in English in words they can easily understand;
- To provide the opportunity to solicit Customer feedback about the Services delivered by ENMAX Energy; and
- To maintain performance standards by which the delivery of Service to Customers can be measured.

2. Services Provided

a. Retail Billing

ENMAX Energy will provide all billing services in its capacity as Cardston's exclusive appointee to certain duties and functions of Cardston in respect of the RRO and perform

all of the duties and functions of Cardston in respect of the Default Supplier. Billing services associated with these Customers include:

- Bill calculation;
- Billing adjustments;
- Invoice rendering, printing and distribution;
- Billing table maintenance;
- Payment processing; and
- Credit and collection in respect of the Customer Fees.

b. Customer Care

- ENMAX Energy will provide all Customer care services in its capacity as Cardston's exclusive appointee to perform the duties and functions of Cardston in respect of the RRO and Default Supplier described herein. A toll-free service will be provided through which calls can be handled or dispatched/transferred to other contact numbers as required.
- Inquiries related to Customer account information will be answered by the ENMAX Energy Customer Care Center.

c. Energy Price Setting Plan

See Schedule "B3"

3. Administration Charge

An administration charge for billing, and customer care costs (the "**Administration Charge**") will be calculated by ENMAX Energy to compensate ENMAX Energy for providing the Services as well as assuming all risks, including bad debt and collections, to Customers and applied to every Customer bill.

The Administration Charge will be reviewed annually by ENMAX Energy, and in the event the Administration Charge no longer permits ENMAX Energy to recover its reasonable expenses and profit margin in administering the RRO and Default Supply and providing the Services as contemplated herein, then ENMAX Energy may serve notice to Cardston that it requires a revision to the Administration Charge and such notice shall identify the new Administration Charge. As of the Effective Date, the Administration Charge is \$0.2562 per RRO or Default Supplier Customer Site per day and will be applicable from October 29, 2011 to December 31, 2013 unless ENMAX sooner provides notice of a required revision to same.

a. Revision to Administration Charge Price Applicability Period

The Administration Charge will be reviewed annually by ENMAX Energy, and in the event the Administration Charge no longer permits ENMAX Energy to recover its

reasonable expenses and profit margin in administering the RRO and providing the Services as contemplated herein, then ENMAX Energy may serve notice to Cardston that it requires a revision to the Administration Charge and such notice shall identify the new Administration Charge, and upon receipt of such notice, Cardston within 90 days, in its capacity as legislator and regulator, and in accordance with Section 6.4 hereof, shall make such changes necessary under applicable Law to give the new Administration Charge the force of Law.

As of the Effective Date, the Administration Charge is \$0.2562 per RRO or Default Supplier Customer Site per day and will be applicable from October 29, 2011 to December 31, 2013 unless ENMAX sooner provides notice of a required revision to same.

b. Significant Event

In the event of a material change to ENMAX Energy's business operations, a significant change in the number of Customers being served, or a fundamental change in the cost to serve those Customers, ENMAX Energy may modify the price applicability period upon notice to Cardston, to ensure the ENMAX Energy's costs to provide the Services are appropriately allocated.

4. Provision of Information

Throughout the Term, Cardston will enable ENMAX Energy to provide Services by providing ENMAX Energy with all Customer Information and any further information as may be reasonably required by ENMAX Energy in order for ENMAX Energy to provide the Services as stipulated in this Agreement. To the extent that ENMAX Energy requires Customer Information from third parties, Cardston will act in good faith to obtain or direct the provision of such Customer Information for and to ENMAX Energy.

Excerpts from Wire Services Agreement between Town of Cardston and ENMAX Power Corporation:

Schedule 1 - Load Settlement

EPC will perform all aspects of Load Settlement in conformance with and as specified by the Settlement System Code (SSC). Two exceptions are the development of load profiles other than Net System Load Shape and the determination of distribution system loss factors.

Service Description

The services provided by EPC for Cardston include:

- Estimate consumption on cumulative meters in accordance with Section 2 of the SSC.
 - NOTE: Where a meter has failed or where energy diversion or theft have occurred the Meter Data Management Agent (MDMA) will be responsible for generating the estimated consumption for the meter as directed by the SSC.
- Disclose the procedures and methods used to conduct settlement to market participants.
- Process daily initial, initial monthly, interim and final settlement calculations.
- Process all Pre-Final Error Correction submissions.
- Process all Post Final Adjustment submissions.
- Exchange information to market participants according to prescribed transactions and processes.
- Utilize zone specific load profiles as directed by Cardston.
- Provision of load settlement data allocated by rate class, to include both energy and associated distribution tariff revenue; provided on a monthly basis.
- Provide performance reporting metrics:
 - Copy of the Statement of Disclosure provided to the AESO and the AUC at the request of the AESO in accordance with the SSC.
 - Copy of the System Performance Diagnostic Report provided to the AESO in accordance with the SSC; provided on a monthly basis.
 - A monthly report on the initial monthly, interim and final settlement UFE statistics.
 - A summary of Post Final Adjustment Mechanism (PFAM) requests received from retailers.
 - A quarterly statement of compliance to the material aspects of the SSC.
 - Monthly reports will be provided by the 13th business day following the end of the month, quarterly reports will be provided by the 13th business day following the end of the quarter.

Cardston Obligations and Responsibilities

- Provide EPC with the distribution loss factors.
- Provide EPC with zone specific load profiles other than Net System Load Shape. This data must be provided in a format specified by EPC. The format details will be provided when Cardston advises EPC of their intent to develop a new load profile. Note: If Cardston does not provide zone specific

load profiles and Cardston's net system load shape profile is not applicable, Calgary settlement zone profiles will be utilized.

- Notify the EPC Load Settlement Agent (LSA) of any power outages which occur in their settlement zone. The outage information must be provided to the load settlement agent the first business day following the outage. Failure to do so may affect the settlement results, specifically unaccounted for energy. If penalties are assigned to EPC by the AESO, or another authority, for poor or inconsistent settlement results and investigation indicates that the poor or inconsistent settlement result has been caused by an unreported power outage, Cardston indemnifies EPC and will accept full responsibility for payment of the penalty.
- Remit to EPC, Cardston's portion of the AESO's quarterly load settlement cost recovery invoice and any true-up or adjustments to the quarterly load settlement cost recovery charges assessed to EPC on behalf of Cardston.
- Notify the EPC Designated Representative of any changes to the distribution interchange points, specifically additions to or removal of existing distribution interchange points. Notification must be provided to EPC as soon as Cardston is certain that the changes will occur.
- Ensure that the MDMA, when the MDMA function is not performed by EPC, provides cumulative, interval and/or POD meter data to the EPC LSA in the format and within the timelines prescribed in the SSC. If penalties are assigned to EPC by the AESO, or another authority, for poor or inconsistent settlement results and investigation indicates that the poor or inconsistent settlement result has been caused by incorrect or late cumulative, interval and/or POD meter data, Cardston indemnifies EPC and will accept full responsibility for payment of the penalty.
- Respond to EPC inquiries no later than the end of business the following day.
- Provide a contact list which identifies primary and secondary contact information.

Schedule 2 - Distribution Tariff Billing

EPC will perform Distribution Tariff billing services for Cardston in accordance with the Roles, Relationships and Responsibilities Regulation and the Tariff Bill Code (TBC).

Service Description

The services provided by EPC for Distribution Tariff billing include:

- Manage the Distribution Tariff billing activities as directed by the Tariff Bill Code.
- Remit Distribution Tariff and service order revenue to Cardston on a monthly basis.
 - The remittance date will be the due date of the retailer's Distribution Tariff billing invoice.
 - Revenue for service order fees for services performed by EPC will be withheld from the remittance.
- Changes to the pricing of the distribution tariff:

- 90 day advance notification is required to enable EPC to schedule the tariff pricing change and prepare the test environment of our billing system.
- 30 day advance notification to confirm that the Cardston Town Council has approved the tariff pricing changes
- 30 day advance delivery of the council approved tariff pricing is required.
- Provide performance reporting metrics
 - A monthly report which provides a summary of the Retailer invoices issued by EPC and the revenue remitted by EPC to Cardston.
 - Quarterly delivery of the monthly performance results as provided to the AUC, directed by section 2.14 of the Tariff Bill Code.
 - Monthly reports will be provided by the 13th business day following the end of the month, quarterly reports will be provided by the 13th business day following the end of the quarter.

Cardston Obligations and Responsibilities

- Provide a minimum of 90 days advance notification of distribution tariff pricing or rate structure changes to EPC.
- Provide a minimum of 30 day advance notification that the Cardston Town Council has approved the rate structure and/or pricing changes.
- Provide a minimum of 30 day advance delivery of the council approved pricing changes.

Schedule 3 - Meter Data Management (MDM)

EPC will provide MDM services consisting of meter reading, meter data validation, data storage and data provisioning for cumulative electric meters and meter reading, data provisioning and field level validation for cumulative water meters for Cardston.

Service Description

The MDM services provided by EPC include:

- **Cumulative Meter Reading**
 - Manage meter reading cycles, routes, and schedules.
 - ⌚ EPC will provide notice to Cardston of any cycle restructuring activities that alter the meter read dates greater than three (3) days from the current reading schedule.
 - Attempt to read all cumulative electric and water meters according to the EPC meter reading schedule
 - ⌚ Meter reading will be completed by EPC staff directly, or through its contractor.
 - ⌚ Meter reading is defined as two physical attempts during scheduled read routes for all electric meters, one attempt for water meters, in services or not.
 - ⌚ Reset and seal demand registers as they are read. The meters must be easily accessible to the meter readers to allow the demand registers to be reset and sealed. If the meter is not easily accessible, demand registers may not be reset and sealed.
 - ⌚ Record applicable “Skip Codes” whenever a meter cannot be read.
 - ⌚ Record applicable “Trouble Codes” when required.
 - ⌚ Receive and manually process customer provided meter readings for electricity and water meters.

- Wherever a remote meter reading device is present, the meter reader will read the remote device. If, for any reason, the meter remote device, the water meter head and the system of record are not in a consistent standard of measure and configuration EPC will not be responsible for the cost to correct such errors; Cardston will be responsible for those costs.
- EPC will notify Cardston of any discrepancy between the physical meter characteristics and the meter configurations received during the meter reading route download. EPC will not incur costs associated with the correction of meter configurations.
- Provide performance reporting metrics:
 - ⌚ Meter reading statistics will be provided on a monthly basis, providing current and historical meter reading statistical data.
 - ⌚ Provide a copy of the Bi-Monthly Cumulative Metering Data Collection Metric report that is submitted to the AESO in accordance with SSC.

• Interval Meter Polling

- EPC will poll all interval meters located within Cardston's service area.
 - ⌚ If EPC is unable to connect to the interval meter, EPC will notify Cardston and will request Cardston to engage their meter technician or meter communications service provider to investigate and correct the communication problem.
- Set up EPC systems and test communications for new interval meter installations in Cardston's service area.
- Provide performance reporting metrics:
 - ⌚ Provide a copy of the Site Level Metric reports that are submitted to the AESO in accordance with the SSC.

• Meter Data Validation and Storage

- Validate cumulative electric meter data utilizing EPC's electronic validation application.
 - ⌚ Validation standards will meet or exceed the requirements of the AESO or the AUC.
- Validate cumulative water meter data at the data point of entry.
- Store electric meter consumption data for a period of 24 months or the SSC minimum standard, whichever period is greater.

• Meter Data Provisioning

- Provide electric meter reading and consumption data to the market participants in accordance with the SSC.
- Provide water meter reading data to Cardston's water billing agent in a format specified by EPC.
- Provide Cardston with monthly Skip and Trouble Code reports.
 - ⌚ It is expected that Cardston will review these reports on a monthly basis and resolve meter access issues and correct problems identified on the Trouble Code reports.
- Provide performance reporting metrics
 - ⌚ Provide a copy of the performance diagnostic report that is submitted to the AESO in accordance with SSC.
 - ⌚ A quarterly statement of compliance to the MDM activities described in the SSC.

Cardston Obligations and Responsibilities

- Ensure that point of delivery (POD) data is provided to EPC by Cardston, or its successor, in a timely manner and in accordance with SSC standards.
- Receive; print, and complete off-cycle meter reading or service orders within SSC mandated timelines as requested by Retailers and or EPC.
- Receive and action "Trouble Reports" as provided by EPC.
 - The actions required to address the reported problems are to be attempted, if not resolved, within 15 days.
 - Cardston's decision not to action the "Trouble Reports" will impact the meter reading success on attempt statistics. EPC, or its contractor, will not be held responsible for diminishing performance due to recurring meter issues that have not been addressed by Cardston.

- Cardston will ensure that all meters are located in an accessible area and can be read safely.
 - EPC will notify Cardston of any meter locations deemed unsafe and will discontinue attempting reads at that site until such time as it can be read safely.
 - Should Cardston not agree with the determination of an unsafe facility, Cardston and EPC will attempt to resolve the issue during the quarterly review meeting or sooner if requested by either party.
 - If Cardston and EPC can not resolve the determination of an unsafe facility ENMAX Occupational Health and Safety will perform a safety audit of the facility in question and provide, if required, a recommendation for action. Should Cardston not accept the results of the audit completed by ENMAX Occupational Health and Safety, a third party Occupational Health and Safety consultant will be retained to perform an independent investigation and provide a binding recommendation for resolution. Costs incurred from the third party consultant will be allocated as follows: Cardston will bear the costs of the investigation if the facility in question is determined to be unsafe; if the facility is determined to be safe, EPC will bear the costs of the investigation. EPC will not be responsible to bear any of the costs of alterations required to make the facility in question safe.
- Cardston will provide 10 days advance notice of a new interval meter installation to allow EPC ample time to set up the interval site in its systems and to perform communications testing.
- Cardston agrees to work in partnership with EPC to ensure compatibility between any new meter reading systems and/or any new meters that are purchased. Cardston further agrees to bear direct costs of modifications to EPC's meter reading and meter data management information systems and equipment where these modifications were clearly necessitated by the installation of new meter reading systems and/or new types of meters.
 - The parties will determine a mutually agreeable date and timeline to facilitate EPC system modifications and/or the purchase of additional equipment, as required.
- Ensure that Cardston's Terms and Conditions for Retail Access Services provides for a charge for any Retailer-requested request off-cycle meter reading (ROR) transactions.
- Maintain a customer key inventory and allow EPC and/or its contractor access to the keys for the purpose of monthly meter reading.
 - Cardston will follow up on Trouble Reports of keys not working and contact customers for a replacement key as required.
- Assist EPC in gaining access to "difficult to read" and high estimate sites by communicating directly with customers by telephone, site visit and/or written correspondence for the purpose of obtaining regular monthly meter readings.

Schedule 4 - Meter Inventory Management

EPC will utilize a Meter Inventory Management system (MIM) to validate and store information on Cardston's electric meters and equipment. The MIM system conforms to the Electricity and Gas Inspection Act and Regulations, and to the SSC. Cardston will be provided access to MIM for the purpose of tracking and maintaining meter inventory, generating operating reports and service order activity.

Section 2 – Service Description

The services provided by EPC for MIM include:

- Storage of metering information within MIM for Cardston's cumulative and interval meters and equipment.
- Provision of MIM system access to a maximum of two (2) workstations located at Cardston's offices.
- Provision of site metering information to market participants as required under the SSC.
- Storage of meter inventory data will be in accordance with the Electricity and Gas Inspection Act; Electricity and Gas Inspection Regulations (SOR/86-131); as amended from time to time.

- Provide system upgrades and applicable training for upgrades for Cardston's staff.

Cardston Obligations and Responsibilities

- Ensure that the MIM system processes and procedures are followed for all activities that require input to the MIM system.
- Ensure the designated employees are fully trained in the EPC MIM system and that employees enter data correctly and within timelines specified by rules or obligations, as specified by applicable Government Agencies.

Schedule 5 - Site Administration and Service Order Management

EPC will perform site administration and service order management services for Cardston electrical sites via EPC's WRAP system and will provide a service order call centre (SOC).

Service Description

The services provided by EPC for site administration and service order management include:

- Maintain the site identification catalogue.
- Publish the site identification catalogue enabling access by all market participants as directed by the SSC.
- Manage the site energize and de-energize transactions as initiated by a retailer as directed by the SSC.
- Process rate and other site administration component changes as identified by Cardston. EPC will process any required site administration component corrections identified by retailers or by EPC during day to day operations.
 - Rate and other site administration component changes will be made on a 'go-forward' basis.
 - These changes refer to 'one-off' changes.
- Provide site administration support. Requests for assistance may be escalated to the ENMAX service desk.
- Provide a service order call centre for responding to site identification number requests from customers, contractors and Retailers as well as service order related requests from Retailers.
 - Service requests from Retailers will be invoiced on a monthly basis directly to the Retailer.
- Maintain a service order pricing table specific to the Cardston for service order types currently designed by EPC.

- Provide a pricing table containing the current service order types, a brief explanation of the services the order type is intended to represent and the corresponding prices currently in use. This table will be provided as needed and is intended to assist with service order pricing changes.
- Performance reporting metrics:
 - A quarterly Statement of Compliance to the SSC for the site administration activities related to the site ID catalogue and retailer enrollments and de-enrollments.
 - Quarterly reports will be provided by the 13th business day following the end of the quarter.

Cardston Obligations and Responsibilities

- Communicate rate assignment errors for correction.
 - Rate changes will be made on a ‘go-forward’ basis.
- Ensure that the MIM system processes and procedures are followed for all activities that require input to the MIM system.
- Ensure that their designated employees are fully trained in the EPC MIM system and follow the defined procedures in the completion of activities that require the use of the EPC MIM system.
- Notify the electrical contractors that operate in their service area of the process and procedures to be followed when requiring new site identification numbers, un-metered services and meter related service requests.
- Provide the pricing information required for the service order pricing tables. Cardston will ensure that the town council has approved the service order schedule prior to requesting the changes to the pricing table.
 - The exception to the provision of pricing information will be for those service orders that pertain to distribution tariff billing, load settlement and meter data provisioning activities. EPC will provide the appropriate prices for the following service orders:
 - ⌚ Meter data requests in excel or PRN file formats
 - ⌚ Settlement history
 - ⌚ Custom load profiles
 - ⌚ Verification of distribution tariff data
 - ⌚ Requests for distribution tariff history
 - ⌚ Verification of bill data
 - EPC will provide Cardston 60 days notice of any pricing changes for these services.

- Revenue generated from the service orders that pertain to distribution tariff billing and settlement activities will be 100% retained by EPC.
- Bear all risk relating to the bad debt of Retailers originating from fee for service based transactions.

Schedule 6 - Client Services (Retailer Support)

EPC will provide customer care in support of the Retailers operating in the Cardston settlement zone and to those applying to operate in the Cardston settlement zone.

Service Description

The services provided by EPC for Client Services (Retailer support) include:

- Provide support and relationship management services. Client Services is the first point of contact for the Retailer (with the exception of outage reporting) and will interact with all other areas of Regulated Market Services on their behalf.
- Manage the Retailer certification process.
- Manage and perform risk management activities.
 - When a Retailer is required to provide security for services under Cardston's Distribution Tariff EPC will be the sole beneficiary of the security.
 - If a Retailer defaults in making payments pursuant to Cardston's Distribution Tariff, Cardston is solely responsible for and may take any legal action against the Retailer for any amount in default which exceeds the amount available pursuant to any security provided in accordance with Cardston's Distribution Tariff terms and conditions.
- Provide performance reporting metrics:
 - Notification of the initial prudential review and security assessment will be provided as new retailers are certified.
 - Retailer risk assessment reports will be provided on a monthly basis
 - Monthly reports will be provided by the 13th business day following the end of the month.

Cardston Obligations and Responsibilities

- Execute a Retail Access Services (RAS) agreement with all retailers that operate in the Cardston settlement zone. Cardston will provide a copy of the executed agreement to EPC.
 - The Retailer will not be allowed to enroll sites until Cardston provides EPC with a copy of the executed RAS agreement.

- The RAS agreement must include specific reference that EPC is Cardston’s exclusive agent in all matters that pertain to prudential activities. In addition, the RAS agreement must include the conditional statement that Cardston’s “Terms and Conditions may be revised from time to time”.
- Execute a Representation and Warrant document, as described in the AUC Rule 010; Rules on Standards for Requesting and Exchanging Site-Specific Historic Usage Information for Retail Electricity and Natural Gas Markets. Cardston will provide a copy of the executed document to EPC.
- Notify the applicable market participants of pending loss factor and Distribution Tariff changes. To assist Cardston, EPC will provide a contact list for all of the retailers operating in the Cardston settlement zone.
 - Changes to loss factors require a minimum of 90 days prior notification in accordance the SSC.
- Recovery of any funds defaulted by a retailer in excess of the security provided to EPC.
- Cardston Distribution Tariff Terms and Conditions relating to Prudential Requirements, Billing and Default/Failure To Pay shall be the same as EPC’s Distribution Tariff Terms and Conditions.

Schedule 7 - Information Technology Support

EPC will provide to Cardston on-line access to the EPC Meter Inventory Management (MIM) system via a web-enabled interface.

Scope of Services

The services provided by EPC for Information Systems Support include:

- MIM is supported from 7:00 a.m. to 5:00 p.m. weekdays by the ENMAX service desk.
- Computer maintenance will occur, whenever possible, at 5:00 p.m. weekdays or on weekends, an email notification of upcoming outages will be provided. Every effort will be made to provide advance notice of an emergency outage; due to the nature of an emergency outage, this may not occur.
- Five hours of telephone support, per month, per system, will be provided. Support time will be monitored by the ENMAX service desk logs. The five hours of telephone support, per month, per system, does not include support required to address a system “bug”.
- The Service Desk will target same day response (problem clarification) for calls received prior to 3:00 p.m.
- EPC will provide reasonable lead time to upgrade and implement new versions of application software and/or hardware as required by EPC.

- All upgrades to new versions of the MIM system will be scheduled by EPC on the best interests of all parties.
- Any changes to the MIM system will be at the sole discretion of EPC.

Cardston Obligations and Responsibilities

- A standard requirement of application versions and hardware configuration must be met by Cardston. This will be the minimum requirement necessary to use the MIM system. Cardston is responsible for all costs of hardware and software upgrades except for upgrades to the MIM application, unless the MIM upgrade is to provide Cardston specific functionality and is at the request of Cardston.
 - Hardware and Software Requirements:
 - ⌚ IE 6 SP1 (minimum) with latest cumulative patch for security reasons strongly recommended.
 - ⌚ The recommended system configuration to use Internet Explorer 6 Service Pack 1 (SP1) is Microsoft Windows 2000, Windows Millennium Edition (Windows Me), or Microsoft Windows NT® on a computer running with a Pentium III processor and 128 megabytes (MB) of RAM.
 - ⌚ Adobe Acrobat Reader 5.0 or higher.
- Digital Certificates
 - Digital certificates should not be installed on any PC outside of Cardston offices.
 - Cardston will notify EPC when user access is no longer required by specific individuals.
 - Cardston administrator will remove certificates not required.
 - Cardston administrator will notify EPC Client Services of requests for new certificates.
- EPC Information Technology Guidelines
 - Cardston agrees to meet EPC security standards and terms for acceptable usage. The Acceptable Use Policy is attached as Appendix B.