



Alberta Utilities Commission Code of Conduct and Ethics

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1 Introduction

This Code of Conduct and Ethics will be published upon approval by the ethics commissioner no later than April 30, 2019, and comes into effect 60 days after approval.

Section 23.922(2)(g) *Conflicts of Interest Act*

The public and interveners who appear before the Alberta Utilities Commission (AUC) and the utility sector under the jurisdiction of the AUC have a right to fairness, impartiality and integrity from the AUC. The AUC has an obligation to ensure that there is no actual or perceived conflict between the private interests of AUC Commission members and employees and their statutory responsibility to carry out the duties imposed on the Commission under the utility statutes in a fair and impartial manner.

At the same time, Commission members and employees should be treated fairly under the *Code of Conduct and Ethics* and all restrictions should be essential for establishing and maintaining confidence in the AUC as a fair, impartial regulator.

All questions, comments or concerns about the *Code of Conduct and Ethics* should be directed to the AUC's ethics committee members.

For descriptions and examples of what the *Code of Conduct and Ethics* means in hypothetical situations, please refer to Part 2: Guide to AUC Code.

2 Definitions

For purposes of the *Code of Conduct and Ethics*, unless the context otherwise requires:

AUC means the Alberta Utilities Commission.

Code of Conduct and Ethics means this document, the Alberta Utilities Commission Code of Conduct and Ethics.

Commission member means a person appointed to the Commission pursuant to an order-in-council, and includes the chair.

- a) "chair" means a person appointed as the head of the Commission pursuant to an order-in-council under Section 3(1) of the Alberta Utilities Commission Act.
- b) "chief executive" means the employee who is the highest ranking executive of the AUC who has primary responsibility for overseeing the day-to-day operations of the public agency and who is appointed under Section 7(1) of the *Alberta Utilities Commission Act*.

A person directly associated with a Commission member or employee means:

- A spouse or adult interdependent partner.
- A public for-profit corporation for which the Commission member or employee acts as a director or senior officer or a private corporation if the Commission member or employee owns or has a beneficial interest in the shares of the corporation, or,

- A partnership of which the Commission member or employee is a partner or otherwise has an interest in.

Employee includes any individual employed by the AUC but does not include Commission members.

Ethics commissioner means the officer of the Alberta legislature appointed by the lieutenant-governor in Council on the recommendation of the Legislative Assembly, under Section 33 of the *Conflicts of Interest Act*.

AUC ethics committee shall consist of the individuals occupying the following positions or designates. Currently, the members are:

- Chief executive: Bob Heggie
- General counsel: JP Mousseau
- Director, Human Resources: Sarah Akhtar
- Commission member: Vera Slawinski
- Executive director: Fino Tiberi

Minor child refers to a child under the age of majority (18 years old) or a child over 18 years of age but who is incapacitated or otherwise unable to control his or her own financial affairs.

The **private interest** of an employee does not include an interest in a matter that is of general application, that affects a person as one of a broad class of the public, that affects the remuneration and benefits of an employee, or that is trivial or an interest of an individual relating to publicly traded securities held in that individual's blind trust or in an investment arrangement.

Spouse includes one of two people who are living together on a bona fide domestic basis. The term does not include a spouse who is living apart from a Commission member or an employee if they have separated pursuant to a written separation agreement or if their support obligations and family property have been dealt with by a court order.

3 Application

General

The *Code of Conduct and Ethics* applies to the chair, all other Commission members, the chief executive, and all other employees.

Section 23.9222(1) *Conflicts of Interest Act*.

Certain provisions of the *Code of Conduct and Ethics* apply only to the chair and chief executive who are senior officials under section 23.921(3) of the *Conflicts of Interest Act* and designated senior officials under section 2(d) of *Alberta Regulation 42/2018, Conflicts of Interest Act*, Part 4.3 Designation Order.

The chair of the AUC or designate has the authority in exceptional circumstances to exempt a Commission member or an employee from application of all or parts of the *Code of Conduct and Ethics*

except from the mandatory requirements of the *Conflicts of Interest Act* applicable to employees, Commission members, the chair and chief executive.

Conflicts between Commission members and employees' private interests and the execution of their statutory responsibilities, not specifically addressed in the *Code of Conduct and Ethics*, will be considered according to the principles and intent of the *Code of Conduct and Ethics*.

4 Administration of the Code of Conduct and Ethics

4.1 AUC chair's responsibility

The chair of the AUC will appoint an ethics committee to administer the *Code of Conduct and Ethics*, one of whom shall be designated as the committee chair. Commission members and executive directors shall be appointed to rotating three-year terms on the committee or longer if the chair of the AUC directs.

4.2 Committee responsibility

The committee is responsible for ensuring the *Code of Conduct and Ethics* is maintained and administered in a fair and consistent manner. The Committee will provide the chair of the Commission with an annual update on compliance with the *Code of Conduct and Ethics*.

The committee shall review the disclosures of the Commission members and the employees but not the chair and chief executive. The committee chair shall review the disclosures of the committee members.

The chair of the AUC and the chief executive must annually file their disclosure statement and that of persons directly associated with them with the ethics commissioner in the form and manner determined by the ethics commissioner.

Sections 23.931 and 23.932 of the *Conflicts of Interest Act*.

The committee:

- Administers the *Code of Conduct and Ethics* for the AUC and issues instructions as necessary for implementation of the *Code of Conduct and Ethics*.
- May issue supplementary instructions that modify but do not detract from matters dealt with in this *Code of Conduct and Ethics*, provided that the supplemental instructions are not more permissive than the *Code of Conduct and Ethics*.
- Promotes the *Code of Conduct and Ethics* and any supplemental provisions of the *Code of Conduct and Ethics* on a regular basis to ensure that Commission members and employees are aware of their obligations.

5 Responsibilities

5.1 Impartiality

Commission members and employees must carry out their duties with impartiality at all times.

Section 23.922(2)(a) *Conflicts of Interest Act*

5.2 Disclosure

Commission members and employees must disclose to the committee, or their direct leader, director or executive director any situation in which their involvement is a real or perceived conflict of interest.

Any subsequent use and disclosure of information provided to the AUC pursuant to this section will be subject to the provisions of the *Freedom of Information and Privacy Act*.

5.3 Furthering private interests

Commission members and employees are in a conflict of interest and in violation of the *Code of Conduct and Ethics* if they:

- Take part or are perceived to take part in a decision in the course of carrying out their duties that is in their self-interest or that they knew or should have known might further a private interest of theirs, their spouse, a person directly associated with them or their minor or adult children.
- Use or are perceived to use their office or power to influence or seek to influence a decision to be made by or on behalf of the Commission to further a private interest of theirs, their spouse, a person directly associated with them, their minor or adult children or to improperly further any other person's private interest.
- Use or communicate information or are perceived to use or communicate information not available to the general public that was acquired in the course of carrying out their duties to further a private interest of theirs, their spouse, a person directly associated with them or their minor or adult children.

Section 23.922(2)(b) *Conflicts of Interest Act*

This provision comes into effect for the chair and the chief executive immediately.

5.4 Reporting violation of the Code of Conduct and Ethics

Commission members and employees must disclose all real or perceived conflicts of interest between their AUC related duties and their private interests and/or relationships as well as report situations of real or perceived conflicts of interest of other Commission members or employees. These situations must be reported to the committee so that steps are taken to address the matter.

No action shall be taken against an individual for reporting such a situation unless the report is made maliciously or without reasonable grounds. Whenever possible, the name of the person reporting such information will be kept confidential and no documentation regarding the reporting will be placed on the person's human resources (HR) file.

Section 23.922(2)(c) *Conflicts of Interest Act*

5.5 Investigating potential conflicts of interest

Once a potential breach has been reported to the committee, the committee will review the circumstances and details of the potential breach on a confidential basis to the extent possible. The Commission member or employee will be notified of the review and provided an opportunity to fully respond to the potential breach of the *Code of Conduct and Ethics*.

The committee will then complete its review, determine whether the *Code of Conduct and Ethics* has or will be breached and issue its decision with reasons to the Commission member or employee. If the committee determines that a conflict exists, it may:

- Provide directions on how to avoid the conflict, which may include the divestiture of financial assets, removal of an employee from the application, hearing or situation giving rise to the conflict of interest or a recommendation to the Commission chair to remove the Commission member from the application or hearing.
- Recommend to the chief executive and the relevant executive director that an employee undergo disciplinary action consistent with the severity of the breach of the *Code of Conduct and Ethics*, which may include the termination of employment.
- Recommend to the Commission chair that the Lieutenant-Governor in Council be asked to rescind the Commission member's appointment and terminate the Commission member's employment contract with the Crown for cause.

All copies of written complaints, findings, warnings, reprimands or notices of disciplinary action regarding a breach of the *Code of Conduct and Ethics* will be added to the individual's HR file.

Section 23.922(2)(f) *Conflicts of Interest Act*

Commission members and employees may exercise regulatory or other discretionary authority over others. If the nature of the relationship between Commission members or employees and those other persons is or will be perceived as undermining the impartiality of the Commission, then Commission members or employees must cease acting in those situations and immediately advise their direct leader or the committee. In emergency situations, Commission members and employees must act impartially and notify their direct leader or the committee immediately after exercising their authority.

In due course, the committee must be notified of all such conflicts and make a decision that resolves the conflict. Commission members and employees may then only exercise the authority in question in compliance with the committee's directions.

6 Concurrent employment and volunteer activities

Commission members and employees may participate in voluntary activities and/or take concurrent employment, including self-employment, unless the terms of employment with the Commission or the terms of employment with the Crown, prohibit such employment. Concurrent employment or voluntary activities are not permitted if such pursuits:

- Cause an actual or perceived conflict of interest.
- Are performed in such a way as to appear to be an official act, or to represent an AUC opinion or policy.
- Interfere through telephone calls or emails or in other ways, with regular duties.
- Involve the use of AUC premises and equipment except as stated under the IT Acceptable Use Policy.

Prior to accepting any concurrent employment or participating in a voluntary activity, employees must notify the committee or their direct leader, in writing about the nature of such concurrent employment or volunteer activity. Direct leaders must then notify the committee immediately. The committee shall then review the concurrent employment or activity for potential or existing conflicts of interest. If the committee finds that no conflict exists or could arise, it may approve the concurrent employment or activity in writing. If the committee finds that a conflict exists or could arise, it may in writing either deny the concurrent employment or voluntary activity, or impose terms or conditions on acceptance to manage the potential or existing conflicts.

Commission members shall instead notify the Commission chair in writing. The chair will then review the concurrent employment or voluntary activity, and provide a response in writing.

Commission members and employees must not accept additional compensation for duties that they perform in the course of their Commission duties. Commission members and employees must not allow the performance of their official duties to be influenced by offers of future employment or the anticipation of offers of employment nor may they use their position or AUC premises or equipment to solicit services as a private consultant.

Notwithstanding the above, the chair and the chief executive must not be involved in any appointment, business, undertaking or employment (including self-employment) other than the appointment, business, undertaking or employment that is subject to the *Conflicts of Interest Act*, unless they received written approval from the ethics commissioner to do so and comply with any conditions that the ethics commissioner has included in the approval.

Section 23.926 of the *Conflicts of Interest Act*

This provision comes into effect immediately for the chair and on December 15, 2019, for the current chief executive.

Commission members and employees considering a new offer of appointment or employment must be aware of and manage any potential conflicts of interest between their current position and future circumstances, and must remove themselves from any decisions affecting their appointment or employment.

Section 23.922(2)(e) *Conflicts of Interest Act*

7 Investments

7.1 Prohibitions respecting assets/interests

The chair and the chief executive shall not own or have a beneficial interest in publicly traded securities unless:

- The ethics commissioner has approved the ownership or beneficial interest in a blind trust or other investment arrangement.
- The ethics commissioner is of the opinion the publicly traded securities are securities of a corporation the interests of which are not likely to be affected by decisions of the Commission or within the scope of advice, advocacy, activity or influence of the Commission.

- The Ethics Commissioner is of the opinion that the chair or the chief executive will sustain a financial loss if the publicly traded securities are disposed of and the public interest does not require disposition of the publicly traded securities.

Section 23.93 *Conflicts of Interest Act*

This provision comes into effect for the chair immediately and comes into effect for the current chief executive on April 4, 2020.

7.1.1 Companies and businesses listed in Appendix B

Commission members, other than the chair and employees other than the chief executive, their spouses, and their minor children must not have any direct or indirect monetary or financial interest in any of the companies listed in Appendix B or added to Appendix B from time to time.

These prohibitions apply to Commission members and employees, their spouses, and/or their minor children's investments, including directly owned stocks and securities. An exception may apply if a spouse holds financial assets or interests as part of his or her employment compensation package. However, details of the compensation package must be disclosed to the committee by completing Section 3: Disclosure of Prohibited Financial Interests of the Employee Certification and Financial Disclosure Summary Form (see Appendix A).

Commission members and employees must ensure that they, their spouse, and their minor children have divested directly owned prohibited stocks, securities and other financial interests as set out in Appendix B:

- At a time directed by the Committee.
- And in any event no later than two years from the date of the Committee's decision that holding the financial interest is in breach of the *Code of Conduct and Ethics*.

During the divestiture period, Commission members and employees must not deal with any matters that pertain to businesses in which they may have a prohibited direct or indirect financial interest.

If employees terminate employment and then return to the AUC to resume employment within one year of departure, they will be normally required to divest any non-exempt assets within 60 days from the date of the resumption of employment.

7.1.2 Annual disclosure

Except for the chair and chief executive, Commission members and employees are required to complete the *Certification and Financial Disclosure Summary Form* (see Appendix A) annually. The committee will review their declared assets and interests and determine whether a conflict exists and what action, if any, should be taken.

As set out by sections 23.931 and 23.932 of the *Conflict of Interest Act*, at a time specified by the Ethics Commissioner, and in a manner and form specified by the ethics commissioner, the chief executive and chair must provide to the ethics commissioner an annual and full financial disclosure of the chief executive and chair's assets, liabilities, investments, holdings and other interests.

At a time specified by the ethics commissioner, and in a manner and form specified by the ethics

commissioner, the chief executive and chair must also provide to the ethics commissioner a return of the assets, liabilities, investments, holdings and other interests of the chief executive and chair's direct associates: spouses, adult interdependent partners, minor children, and any corporation or partnership that the chief executive and chair, his/her spouse, or his/her adult interdependent partner controls.

Within 60 days of the *Code of Conduct and Ethics* coming into force, the chief executive and chair must provide a direct associate return to the ethics commissioner.

The chief executive and chair must file an updated disclosure or return within 30 days of any material changes to a previous return or disclosure, and within 30 days if no longer designated as a designated senior official.

Sections 23.931 and 23.932 *Conflicts of Interest Act*.

This provision comes into effect for the chair and chief executive immediately.

7.1.3 Coming into compliance

Commission members and employees must come into compliance with the *Code of Conduct and Ethics* by divesting prohibited assets within the time period established by the Committee or action (ranging from removal or transfer of job duty to termination of employment contract, if necessary) may be required. A copy of the disclosure form and decision will be retained by the Commission member or employee and a copy will be retained by Human Resources. In very limited circumstances, the use of a blind trust may be considered in order to transition into compliance with the *Code of Conduct and Ethics*. The financial cost of the creation and maintenance of the blind trust will be incurred personally by Commission members and employees.

If Commission members or employees are uncertain as to whether their existing financial interests or future acquisitions constitute a conflict of interest, they must ask the Committee for clarification. The list of companies and businesses in Appendix B will assist Commission members and employees in deciding whether they may invest in any particular company.

However, the list is not exhaustive as listed companies may have affiliate or subsidiary companies in which Commission members and employees may be prohibited from investing or holding any financial interests.

7.1.4 Companies and businesses not listed in Appendix B

In addition to these prohibitions, if Commission members or employees have real or perceived conflicts of interest between their duties at the AUC and their personal interests and/or relationships, they have a responsibility to avoid conflict and/or remove themselves from the conflict. For example, Commission members and employees are permitted to invest in a company that is not listed in Appendix B.

However, if that company is subject to some form of regulatory oversight by the Commission (perhaps, as an example, it is a market participant in the power pool which is objecting to a proposed Alberta Electric System Operator rule before the Commission), Commission members and employees must declare their financial interest to the Committee or if employees to their leader or director if they have been assigned to that proceeding. The Committee must then be advised and it will determine what action to take. In most cases, Commission members and employees will be reassigned from the proceeding so that they have no further involvement with the application and they will be allowed to keep their investment. If they cannot be reassigned, they may have to divest the investment.

If Commission members or employees have any questions about investments or financial interests in this section of the *Code of Conduct and Ethics*, they should contact Darrin Low of the committee at 403-592-4375.

7.2 Exempt assets/interests

The following types of assets/interests are not subject to disclosure:

- Assets and interests in partnerships, proprietorships, joint ventures, private companies, family businesses, and directly owned shares in public companies that do not fall within the regulatory oversight of the AUC, do business with the AUC or with companies that are not in Appendix B List of Companies and Businesses except as provided in Section 7.1;
- Real property i.e. residences, recreational property, or farms, that are not encumbered with utility rights of way or leases from which revenue or other financial benefits are received or property that is not being sold to utility companies;
- Assets and interests intended for private use that are not of a commercial character, such as:
 - household goods and personal effects
 - works of art, antiques, and collectibles
 - automobiles and other personal means of transportation
 - cash and deposits
 - Canada Savings Bonds (and other security investments of fixed value issued/guaranteed by any level of government in Canada or government agencies)
 - registered retirement savings plans, mutual funds, pension plans, exchange traded funds, registered savings plans under federal or provincial government programs (e.g. home, education) that may have utility related investments, provided the individual has no control over decisions of the plan, fund, or other vehicle to buy, sell, or hold those underlying securities
 - guaranteed investment certificates and similar financial instruments
 - annuities and life insurance policies issued by financial institutions
- assets and interests that are not directly or indirectly related to the work of the AUC

8 Acceptance of gifts

Employees may not accept fees, gifts, or other benefits that are connected directly or indirectly with the performance of their AUC duties from any individual, organization, or corporation, other than:

- Tokens exchanged as part of protocol.
- The normal presentation of gifts to persons participating in public functions awards, speeches, lectures, presentations, or seminars.

- The normal exchange of hospitality between persons doing business together. The above-mentioned gifts and hospitality must be of small monetary value and shall not exceed \$50.00 in any calendar year and must not include cash, cheques, gift cards or gift certificates.

Commission members shall not accept any fees, gifts or other benefits in any form that may fall under the meaning of the normal exchange of hospitality between persons doing business together.

With respect to employees, the following rules apply:

- Acceptance of free invitations to social, cultural or sporting events is not appropriate especially private events that include only the employees attending the event or only the employees and the donor attending the event. Your executive director or designate, though, has discretion in approving these invitations. Employees must request permission to attend. Approval should be rare.
- Acceptance of free invitations to events where a large cross-section of people have been invited, for example dinners or receptions at the annual CAMPUT conference or Calgary Stampede parties, are generally acceptable. Employees should seek approval from their executive director or designate if there is some doubt as to whether acceptance is appropriate.
- Executive directors may accept lunch invitations but must pay for their own lunch. The usual cautions still apply, for example, if there is a live application, invitations from the applicant or any hearing participant must be declined.
- Employees below the level of executive director may accept lunch invitations provided that they have the approval of the executive director or designate and pay for their own lunch. The usual cautions apply, for example, if there is a live application, invitations from the applicant or any hearing participant must be declined.
- The restrictions on accepting lunch invitations do not apply to employees in the non-regulatory areas of the Commission's business. For example, employees from corporate services may accept lunch invitations from potential or existing service providers, provided that service providers are not companies that we regulate and the lunch falls within the meaning of the normal exchange of hospitality between persons doing business together. However, in all circumstances cautious judgment must be applied so as not to bring the reputation of the AUC into disrepute.

Commission members and employees must not solicit gifts, hospitality, or other benefits from companies and businesses listed in Appendix B. Gifts, hospitality, or other benefits may be solicited from companies other than those included in Appendix B for the purpose of club/team events or charities providing that the principles of the *Code of Conduct and Ethics* are adhered to.

Section 23.922(2)(d) *Conflicts of Interest Act*

9 Political activity

Commission members and employees are not restricted from participation in political activity, except that:

- They must not participate directly in soliciting contributions.

- The section “Outside Employment and Volunteer Activities” of the *Code of Conduct and Ethics* applies.
- Commission members may not seek nomination as a candidate in a federal, provincial, or municipal council election, run in the election or hold office in a political party or constituency association.
- Employees who run as candidates in a federal, provincial, or municipal council election must take a leave of absence without pay commencing on the day after the writ for the election is issued or on the day that their candidacy is publicly announced, whichever is later. The restriction of soliciting contributions does not apply to such employees once the leave of absence starts.
- Employees who are elected to federal, provincial, or municipal council office must resign their employment effective the day of the federal or provincial election.
- Employees who seek election and are not elected are entitled to return to the same or similar employment effective the day after the election.
- Employees may run for office on a local school board and may be subject to employment conditions as determined by the committee i.e. compulsory leave of absence without pay during election and incumbency.

10 Social media policy

The AUC recognizes employees use social media to connect and interact with others. The digital media strategy relies on employees to comment on, share and like stories created and posted on its authorized social media accounts and encourages them to do so in accordance with our corporate values. To clarify acceptable social media activities, it is important to be clear that employees must avoid commenting or interpreting AUC proceedings and decisions beyond factual accounts of public information or in a manner that would detract from the confidence or trust in the AUC as a fair, impartial and independent regulator.

Employees have the same rights of free speech as any citizen on social media, however employees must not disclose any information obtained through their work at the AUC that they are not specifically authorized to disclose and must abide by the other sections in this document. This freedom does not absolve employees from responsibility or consequence and you should always be mindful of how you conduct yourself in public. See the guidance and additional information in the *Social Media Policy* and the *IT Acceptable Use Policy*.

11 Trade knowledge and intellectual property

Commission members and employees must respect the proprietary knowledge and intellectual property rights of companies and businesses in the utility sector regulated by the AUC, interveners, customers, suppliers, and others.

12 Adherence to AUC policies

Commission members and employees are responsible to know and adhere to AUC policies. Leaders are responsible to know, communicate, and enforce AUC policies.

13 Post-employment restrictions

Neither the chair nor the chief executive shall for a period of 12 months from the last day they held their respective positions:

- Lobby as defined in the *Lobbyists Act* and public office holder as defined in the *Lobbyists Act*.
- Act on a commercial basis or make representations on his or her own behalf or on behalf of any other person in connection with any ongoing matter in connection with which the former designated senior official, while a designated senior official, directly acted for or advised a department or public agency involved in the matter.
- For a period of 12 months from the last day the former designated senior official had a direct and significant official dealing with a department or public agency, make representations with respect to a contract with or benefit from that department or public agency.
- For a period of 12 months from the last day the former designated senior official had a direct and significant official dealing with a department or public agency, solicit or accept on his or her own behalf a contract or benefit from that department or public agency.
- For a period of 12 months from the last day the former designated senior official had a direct and significant official dealing with an individual, organization, board of directors or equivalent body of an organization, accept employment with that individual or organization or an appointment to the board of directors or equivalent body.

Section 23.937 Conflicts of Interest Act

This provision comes into effect for the chair immediately and for the current chief executive on April 4, 2020.

14 Post-employment confidentiality

At no time shall Commission members or employees use or give to others confidential information obtained while employed at the AUC nor take any records, electronic or paper, with them upon departure from the AUC, other than those approved by their executive director or by the chair, if a Commission member or chief executive. The Commission member or employee shall also sign a declaration to that effect, a copy of which is attached as Appendix C.

15 Review process

Commission members or employees may ask the Commission chair for a review of a Committee decision by notifying the Commission chair in writing of the request and the grounds for the review. The Commission chair, or his or her designate shall conduct the review.

16 Consequences

If Commission members or employees do not comply with the *Code of Conduct and Ethics*, they may be

subject to disciplinary action, up to and including dismissal for employees or for Commission members, a recommendation to the Minister of Energy to rescind their appointment to the AUC and terminate their employment contracts for cause.

Part 2
Guide to
Alberta Utilities Commission
Code of Conduct and Ethics

About this guide

This guide provides further interpretation of the Alberta Utilities Commission *Code of Conduct and Ethics*.

To use this guide effectively, AUC members and employees should read the actual code along with the explanations found in this guide. The section numbering in this guide matches the numbering in the *Code of Conduct and Ethics*.

1 Introduction

The code of conduct and ethics is based on the AUC values of objectivity and impartiality. These values must be foremost in your mind when you are assessing the ethical implications of your actions:

- You must not use your public role for private gain.
- You must treat members of the public, industry and all others objectively.
- You must be neutral and impartial in performing your duties.

You should feel free to discuss any matter you are unsure about, or any actions or situations that you think may breach the conflict policy with your direct leader, manager, the executive director of Human Resources, or the committee. This cannot be emphasized enough: **open and honest discussion can greatly decrease the possibility of a breach of the *Code of Conduct and Ethics*.**

You may be bound by a code of ethics under the *Professional Societies Act*. Both the AUC conflict policy and these professional codes of ethics should work harmoniously together. If you believe there is or could be a conflict between the Commission's code of conduct and ethics and your professional society's code of ethics or please discuss this with your executive director or manager, or the committee.

When does a conflict of interest occur?

A conflict of interest exists if:

- Your private or personal interests influence or appear to influence the impartial, objective performance of your AUC duties.
- Your private interests are in direct or perceived conflict with your official duties and responsibilities to the AUC.
- You gain or appear to gain an advantage for yourself or others by virtue of your position with the AUC.

What is a perceived conflict of interest?

A conflict of interest exists when your actions/situation may be reasonably perceived in such a way that questions or undermines your fairness or impartiality. AUC members and employees must avoid all real and perceived conflicts of interest.

2 Definitions

See Section 2 in the *Code of Conduct and Ethics*.

3 Application

See Section 3 in the *Code of Conduct and Ethics*.

4 Administration of the Code of Conduct and Ethics

See Section 4 in the *Code of Conduct and Ethics*.

5 Responsibilities

You must observe the *Code of Conduct and Ethics* regarding impartiality, disclosure, and furthering private interests.

5.1 Impartiality

Impartiality means you should not give preferential treatment in any official matter to individuals or organizations in which you have a personal interest and/or relationship.

Examples

- For instance, your position involves approving applications, and you speed up the processing time for a relative's application as a favour. This would result in a conflict, as you would be giving preferential treatment to someone you know outside the organization.
- You approve a routine application for an organization in which a relative is employed (though not in a position of influence), following the standard process and established criteria. In this case, no conflict of interest exists because you did not give preferential treatment.

5.2 Disclosure

It does not matter whether the conflict of interest is real or perceived; you must take appropriate actions to resolve or remove the conflict. Whether this means taking steps yourself to solve the problem or bringing the situation to the attention of your direct leader, you are obliged to take action when you identify any potential conflict of interest situation.

5.3 Furthering private interests

A private interest is one that is unique to you, your spouse, or your minor child (any child under the age of majority) - as opposed to an interest that would apply to all AUC employees or members of the general public.

A private interest could be:

- A volunteer or paid job you have with an outside organization.

- A spouse's or minor child's volunteer or paid employment.
- A financial investment you have made. Any other matter concerning your personal finances. A private interest does not include:
- A program that would apply to all Albertans.
- A matter that affects you as one of a broad public category.
- An interest that affects the compensation or benefits of an employee, if the matter is under review.
- A trivial interest of very minor significance.

Examples

- You recommend your spouse's consulting firm to do some research work for the AUC. If you are in a position of influence, you would be using your public role to attempt to influence an AUC decision (e.g., awarding a contract), which would further the private interest of your spouse by creating potential income.
- Your spouse works for Company X. A decision involving that company goes to hearing, and you are selected to work on the hearing. In this situation, you should disclose the occupation of your spouse to your leader and be careful not to give any confidential information to your spouse. If your spouse is in a position of influence within the company, you must remove yourself from the hearing decision so that the AUC not only is but also appears to be impartial.
- If you were a farmer as well as an AUC employee, you would still be eligible to participate in AUC decisions developed specifically for all farmers and to benefit from them.
- If your child owns a \$10 share in an organization affected by an AUC decision that is considered a trivial interest. However, if the decision were to have a significant impact on share price or the share amount were significant, your interest may no longer be considered trivial and could be a conflict of interest.

Document confidentiality

You may be in contact with or have access to some highly confidential material. It is your responsibility to maintain the confidentiality of these items.

Examples

- You would be in breach of the conflict policy if you released a hearing decision or details on it before the AUC's planned release to the public.

It would also be a conflict if you gave confidential information submitted to the AUC by one company to another company or former employee of the AUC. This is preferential treatment that contravenes the conflict policy.

5.4 Reporting violations of the Code of Conduct and Ethics

See Section 5.4 in the *Code of Conduct and Ethics*.

5.5 Investigating potential conflicts of interest

See Section 5.5 in the *Code of Conduct and Ethics*

6 Concurrent employment and volunteer activities

You may have an outside job or volunteer position as long as it does not cause an actual or perceived conflict of interest with the work of the AUC and does not interfere with your position at the AUC.

If you are interested in taking on an extra job or a volunteer position, you should bring it to the attention of the committee or your executive director or director before you accept any such position. They can help you determine whether that position will interfere with your regular position at the AUC.

7 Investment and management of assets

You must be and be seen to be impartial in performing your job duties. You must not have monetary interest of any kind in any business that is described in Section 8.1 of the conflict policy and is listed in Appendix B the List of Companies and Businesses attached to the conflict policy. The list contains the names of companies and businesses in which you are **prohibited** from investing or holding any financial interest. The list is not exhaustive, for example, the listed companies may have affiliate or subsidiary companies in which you may be prohibited from investing or holding any financial interests.

You may invest in companies and businesses that are not listed in Appendix B List of Companies and Businesses (and are not affiliates or subsidiary companies of those on the list). If it turns out that the company that you have invested in is subject to Commission regulation in a specific application or proceeding that you have been assigned to, you may still retain the investment but you must declare your financial interest to your manager or director and you will be reassigned from the application or proceeding. If you cannot be reassigned, you may have to divest the investment.

If you have any questions you should contact Darrin Low of the Ethics Committee, at 403- 592-4375.

7.2 Prohibitions respecting assets/interests

See Section 7.1 in the *Code of Conduct and Ethics*.

Examples

- A conflict of interest would result if you bought or sold shares in a company listed on Appendix B or you advised others to do so. This would be a conflict because you may have or be perceived to have an unfair advantage over others because of your public role.
- A conflict would exist if your spouse directly owns shares as part of his or her employment compensation package in a company regulated by the AUC. However, this situation is acceptable provided that you disclose the interest to the committee and remove yourself from any role at the

AUC that has decision making authority or significant influence over the regulatory affairs of the company.

- If you have the ability or are seen by others to have the ability to influence the profitability of a business in which you have invested through performing your AUC job duties, this is considered a conflict of interest.

7.1.1 Companies and businesses listed in Appendix B

See Section 7.1.1 in the *Code of Conduct and Ethics*.

7.1.2 Annual disclosure

See Section 7.1.2 in *Code of Conduct and Ethics*.

7.1.3 Coming into compliance

See Section 7.1.3 in *Code of Conduct and Ethics*.

7.1.4 Companies and businesses not listed in Appendix B

See Section 7.1.4 in *Code of Conduct and Ethics*.

7.1.5 Exempt assets/interests

See Section 7.2 in the *Code of Conduct and Ethics*.

8 Acceptance of gifts

The Commission's policy is expressed in some detail in Section 9 of the conflict policy. It will be repeated here.

You must not accept gifts from other organizations, individuals or corporations that fall under the regulatory oversight of the AUC or do business with the AUC i.e. suppliers, other than small, inexpensive mementos. The value of gifts should not exceed \$50 and must not include cash, cheques, gift cards or gift certificates. If you have doubts about the appropriateness of any gift, you must speak to your executive director or his or her delegate.

Acceptance of free invitations to social, cultural or sporting events is not appropriate especially private events that include only the employees attending the event or only the employees and the donor attending the event. The executive director or delegate, though, has discretion in approving these invitations. Employees must request permission to attend. Approval should be rare.

Acceptance of free invitations to events where a large cross-section of people have been invited, for example dinners or receptions at the annual CAMPUT conference or Stampede parties, are generally acceptable. Employees should seek approval from their executive director or delegate if there is some doubt as to whether acceptance is appropriate.

Executive directors may accept lunch invitations but must pay for their own lunch. The usual cautions still apply, for example, if there is a live application by the inviter's company under consideration, you must decline.

Employees below the level of executive director may also accept lunch invitations provided that they have the approval of the executive director or delegate and employees pay for their own lunch. The usual cautions apply, for example, if there is a live application by the inviter's company under consideration, you must decline.

The restrictions on accepting lunch invitations does not apply to employees in the non-regulatory areas of the Commission's business. For example, employees from corporate services may accept lunch invitations from potential or existing service providers, provided that service providers are not companies that we regulate and the lunch falls within the meaning of the normal exchange of hospitality between persons doing business together.

You and AUC clubs and teams must not solicit gifts, hospitality, or other benefits from companies or their employees directly or indirectly regulated by the AUC. Gifts, hospitality, or other benefits may be solicited from companies that are not regulated by the AUC providing that the principles of the conflict policy are adhered to.

9 Political activity

This section in the conflict policy summarizes the process that you must follow if running for a federal, provincial, or municipal council or a local school board. If you are running for local school board office or serving on the local board, the terms of your employment may be amended depending on the size of the school district, the nature of school board duties you are carrying out and the amount of time required to serve on the school board. Other political activity is acceptable, as long as it follows the guidelines set out in the Outside Employment and Volunteer Activity section.

You may be an active participant in politics but you may not participate directly in soliciting contributions. This restriction is intended to remove any element or suggestion of undue influence in soliciting campaign funds. The AUC makes decisions that affect the public and industry and a request for financial support could be misconstrued as implying that a contribution would mean better service at the AUC or a certain outcome.

Examples

- You would not be in violation of the conflict policy if you are the treasurer of a constituency association involved in developing funding strategies for a candidate and you do not directly solicit contributions. It is even acceptable for you to promote a candidate door to door, as long as you do not solicit funds at the same time.
- It is inappropriate for you to wear campaign buttons when you meet and serve the public as part of your job at the AUC. Your political activity must not interfere with your work requirements at the AUC.

10 Social media policy

See Section 10 in the *Code of Conduct and Ethics*.

11 Trade knowledge and intellectual property

See Section 11 in the *Code of Conduct and Ethics*.

12 Adherence to AUC policies

See Section 12 in the *Code of Conduct and Ethics*.

13 Post-employment restrictions

If you stop working for the AUC, you are still responsible for adhering to the following restrictions:

- You may not provide data or information gained through your employment at the AUC to clients or your new company when that information is not public knowledge (e.g. information about a decision that is not yet public).

14 Post-employment confidentiality

See Section 14 in the *Code of Conduct and Ethics*.

15 Review process

See Section 15 in the *Code of Conduct and Ethics*.

16 Consequences

You must certify that they have read and understand the conflict policy, using the Employee Certification and Financial Disclosure Summary Form.

Appendix A

**Employee Certification and Financial Disclosure
Summary Form**



This document will be retained with your employee file.

Section 1 – Individual Information

Name _____
Division _____
Job title _____

Section 2 – Disclosure of prohibited financial interest

Please read the attached Section 7.1 of the *Code of Conduct and Ethics* and review the attached List of companies and businesses which identifies companies that the AUC regulates and in which you are restricted from having financial interests.

Check one of the two boxes below:

2A. I, my spouse, and/or my minor children, as defined in Section 2 of the *Code of Conduct and Ethics*, **do not** directly or indirectly own or have any prohibited assets or financial interests in companies, businesses or other entities described in Section 7.1 of the *AUC Code of Conduct and Ethics*.

2B. I, my spouse, and/or my minor children as defined in Section 2 of the *AUC Code of Conduct and Ethics*, **do** directly or indirectly own or have prohibited assets or financial interests in companies, businesses or other entities described in Section 7.1 of the *AUC Code of Conduct and Ethics*.

Section 3 – Disclosure of prohibited financial interests

The following are the prohibited financial assets that I have declared in Section 2B above (use additional pages if necessary):

Section 3.1 - Securities and other interests in public corporations:

List all securities or other interests (i.e. shares, bonds, debentures, options, derivative securities and other financial instruments), held by you, your spouse, and/or minor children in companies, limited partnerships, trusts and other business entities that are publicly traded and which are described in Section 7.1 of the AUC Code of Conduct and Ethics.

Name of public corporation or business entity _____

Description of the financial interest (i.e. shares, bonds, etc.)

Owner of financial interest (you, spouse or minor child)

Is it part of a spousal compensation package?

Section 3.2 - Private business interests:

List all financial interests in private (not publicly traded) companies, partnerships, proprietorships, trusts or other business entities, held by you, your spouse, and/or minor children that do business with the AUC or with companies that are described in Section 7.1 of the AUC *Code of Conduct and Ethics*. This includes financial interests in private businesses owned by others or businesses owned or controlled by you, your spouse and/or minor children.

Name of company or business entity

Description of business

Description of financial interest (i.e. shares, bonds, loans) _____

Owner of financial interest (you, spouse or minor child)

If it is owned by spouse, is it part of a compensation package? _____

Is this business owned or controlled by you, your spouse and/or minor children?

Section 3.3 - Real property interests:

List all interests in land held by you, your spouse, and/or minor children which have leases, right of ways or other interests that generate revenue or other financial benefit to you from companies or other business entities described in Section 7.1 of the AUC *Code of Conduct and Ethics*. Also list any lands that you intend to sell to such companies or businesses.

Address or legal description of property _____

Description of interest (i.e. lease, right of way, licence) _____

Owner of Interest (you, spouse or minor child) _____

Name of company or business making lease, right of way or licence payments _____

Section 3.4 – Other interests

List any other significant liabilities, financial interests, and sources of income that may be a real or perceived conflict with the mission of the AUC.

Description _____

Section 4 – Acknowledgement of confidentiality obligations

I hereby acknowledge that I understand my obligations as set out in this AUC *Code of Conduct and Ethics* and the guide to this policy to maintain, in confidence, any non-public information obtained while employed at the AUC, including any confidential or proprietary knowledge and intellectual property rights of companies and businesses in the utility sector regulated by the AUC, interveners, customers, suppliers and others.

Section 5 - Certification

I hereby certify that I have read and understand the AUC *Code of Conduct and Ethics* and recognize that compliance with its terms and requirements is a condition of my employment with the AUC. I also certify that the information I have provided on this form as I know it, is accurate and true.

Employee signature _____ Date _____

Human resources signature _____ Date _____

This information is being collected to ensure compliance with the Alberta Utilities Commission's *Code of Conduct and Ethics*. It is protected by the privacy provisions of the *Freedom of Information and Protection of Privacy Act*. If you have any questions regarding this collection, please contact the director, Human Resources, telephone: 403- 592-4375.

Appendix B

List of companies and businesses

1656877 Alberta Ltd.
1759511 Alberta Ltd.
1792191 Alberta Corp.
2228708 Alberta Ltd.
722924 Alberta Ltd.
Alberta PowerLine General Partner Ltd.
AltaLink Investment Management Ltd.
AltaLink Management Ltd.
Apex Utilities Inc.
ATCO Electric Ltd.
ATCO Gas and Pipelines Ltd.
ATCO Ltd.
ATCO Power (2010) Ltd.
Berkshire Hathaway Inc.
Calalta Waterworks Ltd.
Canadian Utilities Limited
Capital Power Corporation
Capital Power GP Holdings Inc.
Capital Power L.P.
Castle Mountain Resort Inc.
Chinook Springs Country Inn Inc.
Corix Utilities (Foothills Water) Inc.
Corix Utilities Inc.
Coyote Creek Golf & RV Resort Inc.
CU Inc.
Direct Energy Marketing Limited
ENMAX Corporation
ENMAX Power Corporation
EPCOR Distribution Inc.
EPCOR Energy Alberta Inc.
EPCOR Transmission Inc.
EPCOR Utilities Holdings Inc.

FortisAlberta Holdings Inc.
FortisAlberta Inc.
Fortis Inc.
Genesee Lake Holding Corp.
Heartland Generation Ltd.
Hut 8 Mining Corp.
Inshore Developments Ltd.
Langdon Waterworks Limited
Lundbreck Developments Ltd.
Maxim Power Corp
NRG Energy Inc.
Pine Lane Trailer
Prairie Royale Water System Park Ltd.
RC Baksa Stores Ltd.
TC Energy Corporation (formerly known as TransCanada Energy Corp.)
Thornmark Utilities Corporation
TransAlta Corporation
TransAlta Renewables Inc.
TransCanada Corporation
TriSummit Utility Group Inc.
TriSummit Utility Holdings Inc.
TriSummit Utilities Inc.
Sarcee Developments Ltd.
Westridge Utilities Inc.
Whispering Pines Golf and Country Club

Appendix C

Declaration regarding AUC records

Records are information items, confidential or otherwise, with content, structure, and context that reflect organizational activities and business transactions. Records may be physical media such as paper or microfilm; electronic such as email messages, office documents or discussion threads; graphical objects and images; or multimedia items such as sound or video.

1. I, _____, to the best of my knowledge make the following declaration.
2. All electronic AUC records that I had access to through my personal computers, email accounts, tablets, smart phones, laptops , cloud accounts and all other devices, have been deleted in accordance with records and freedom of information and privacy requirements or I no longer have access to them nor have them in my custody.
3. All AUC records in paper form that were in my personal possession outside of AUC offices have been destroyed and are no longer in my custody.
4. I am not taking any AUC records, either electronic or paper, with me upon my departure from the AUC, other than those approved by the executive director of my respective division and which are listed below.

- A. _____
- B. _____
- C. _____
- D. _____
- E. _____
- F. _____

Signed this _____ day of _____, _____.

Employee signature

I, _____, executive director of _____ division
approve the post-employment retention of the above records.

Signature

Date