

**ENMAX POWER CORPORATION
INTER-AFFILIATE CODE OF CONDUCT
COMPLIANCE PLAN
November 9, 2005**

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1. PURPOSE AND OBJECTIVES OF THE COMPLIANCE PLAN

The purpose of this plan is to detail the measures, policies, procedures and monitoring mechanisms that ENMAX Power will employ to ensure that it is in full compliance with the provisions of the Code including in particular all directors, officers, employees, consultants, contractors and agents of ENMAX Power, and by Affiliates of ENMAX Power with respect to the interactions of the Affiliates with ENMAX Power.

This Compliance Plan describes certain obligations and responsibilities of specified ENMAX Power management personnel. Notwithstanding this, and without otherwise reducing or eliminating the obligation and responsibility of the specified ENMAX Power management personnel to ensure any specific requirements of this Compliance Plan are satisfied, it is understood that all or a portion of the tasks described in this Compliance Plan may be delegated by the specified ENMAX Power management personnel to other ENMAX Power personnel.

The Director, Compliance is the designated ENMAX management employee who has the duty to oversee all ENMAX Power compliance activity, as well as all of the duties set out in section 7.4 of the Code, and the responsibility to ensure that the duties of Compliance Officer as defined by the Code are performed. As well this Compliance Plan allows the delegation of the responsibilities of Director, Compliance to the Compliance Co-ordinator who has the strategic advantage of being in a position to directly influence the operations of ENMAX Power.

Questions or comments concerning the Compliance Plan should be directed to the Director, Compliance:

Elizabeth (Liz) L. Bhar
Phone: (403) 514-2056
Fax: (403) 514-1740
Email: ebhar@enmax.com

These or other questions or comments may also be directed to the EUB:

EUB Utilities Branch, Audit and Compliance Group
Phone: (403) 297-3590
Email: eub.utl@gov.ab.ca

Copies of the Code and this Compliance Plan are available at www.enmaxpower.com. The numbering used in this Compliance Plan is consistent with the numbering used in the Code.

2. GENERAL PROVISIONS

2.1 Definitions

In this Compliance Plan, the following capitalized words and phrases shall have the following meanings:

- (a) **“ABCA”** means the *Business Corporations Act*, R.S.A.2000 c. B-9.
- (b) **“Affiliate”** means with respect to ENMAX Power:
 - (i) an “affiliate” as defined in the ABCA;
 - (ii) a unit or division within ENMAX Power or any Body Corporate referred to in clause (b) (i) above;
 - (iii) a partnership, joint venture, or Person in which ENMAX Power or any Body Corporate referred to in clause (b) (i) above has a controlling interest or that is otherwise subject to the control of ENMAX Power or such Body Corporate;
 - (iv) any partnership, joint venture, or Person deemed by the EUB to be an Affiliate of ENMAX Power for the purposes of the Code; and
 - (v) an agent or other Person acting on behalf of any Body Corporate, operating division, partnership, joint venture or Person referred to in clauses (b) (i) to (iv) above.
- (c) **“Affiliated Party Transactions Summary”** unless otherwise directed by the EUB, means in respect of any period of time, a summary overview of each type of business transaction or service, other than Major Transactions or Utility Services, performed by an Affiliate for ENMAX Power or by ENMAX Power for an Affiliate, which summary shall contain a general description of the transactions and services, the parties involved and the approximate aggregate value of each type of transaction or service during the said period.
- (d) **“Body Corporate”** means a “body corporate” as defined in the ABCA.
- (e) **“Code”** means the ENMAX Power Inter-Affiliate Code of Conduct.
- (f) **“Compliance Co-ordinator”** means the Manager, Business Integration, the designated management employee of ENMAX Power having those duties set out in section 7.4 of the Code for ENMAX Power that he/she represents, as specifically provided herein.
- (g) **“Compliance Plan”** or **“Plan”** shall mean the document to be prepared and updated by ENMAX Power pursuant to Section 7.5 of the Code.
- (h) **“Compliance Report”** shall have the meaning ascribed thereto in Section 7.6 of the Code. Quarterly, ENMAX Power will provide an exception report or a more detailed report, if there is a matter that ought to be brought to the attention of the EUB.
- (i) **“Compliance Training”** means the training developed by the Director, Compliance and updated as required which will be used to ensure that all directors, officers, employees,

consultants, contractors and agents of ENMAX Power are familiar with the provisions of the Code and this Plan. At a minimum, the training will include instructions on:

- impartial application of each Utility tariff
- equal access to Utility Services
- avoiding undue influence of customers with respect to Affiliates
- ensuring Affiliate's compliance with the Code
- appropriate use of the ENMAX name, logo, or other distinguishing characteristics
- confidentiality of Utility information
- treatment of Confidential Information related to customers
- process for forwarding disputes, complaints or inquiries to the Director, Compliance

(j) **“Conduct Committee”** shall mean a committee which shall meet at least quarterly, comprised of at least the following:

- Director, Compliance
- Compliance Counsel
- Compliance Co-ordinator
- Manager, ENMAX Power Financial Services

and supported by the following resource staff:

- Procedures and Documentation Administrator
- Director, Human Resources (ENMAX Power)
- Director, Regulatory Affairs (ENMAX Power)
- Manager, Security and Disaster Recovery
- Director, Application Services

(k) **“Confidential Information”** means any information relating to a specific customer or potential customer of ENMAX Power, which information ENMAX Power has obtained or compiled in the process of providing current or prospective Utility Services and which is not otherwise available to the public.

(l) **“Corporate Governance Group”** means those Directors, Officers, and Employees who have responsibility for corporate governance, policy, and strategic direction for both Utility and Non-Utility businesses within the ENMAX group of companies.

(m) **“Cost Recovery Basis”** with respect to:

- (i) the use by one Affiliate of another Affiliate's personnel, means the fully burdened costs of such personnel for the time period they are used by the Affiliate, including salary, benefits, vacation, materials, disbursements and all applicable overheads;
- (ii) the use by one Affiliate of another Affiliate's equipment, means an allocated share of capital and operating costs appropriate for the time period utilized by the Affiliate;
- (iii) the use by ENMAX Power of an Affiliate's services, means the complete costs of providing the service, determined in a manner acceptable to ENMAX Power, acting prudently;

- (iv) the use by an Affiliate of the services of ENMAX Power, means the complete costs of providing the service, determined in a manner acceptable to ENMAX Power, acting prudently; and
- (v) the transfer of equipment, plant inventory, spare parts or similar assets between Utilities, means the net book value of the transferred assets.
- (n) **“ENMAX”** means ENMAX Corporation.
- (o) **“ENMAX Power”** means ENMAX Power Corporation.
- (p) **“EUB”** means the Alberta Energy and Utilities Board.
- (q) **“Fair Market Value”** means the price reached in an open and unrestricted market between informed and prudent parties, acting at arms length and under no compulsion to act.
- (r) **“For Profit Affiliate Service”** means any service, provided on a for-profit basis:
- (i) by ENMAX Power to a Non-Utility Affiliate, other than a Utility Service; or
 - (ii) by a Non-Utility Affiliate to ENMAX Power.
- (s) **“Information Services”** means any computer systems, computer services, databases, electronic storage services or electronic communication media utilized by ENMAX Power relating to customers or operations.
- (t) **“Major Transaction”** means a transaction or series of related transactions within a calendar year between ENMAX Power and an Affiliate relating to the sale or purchase of an asset(s) or to the provision of a service or a similar group of services, other than Utility Services, which has an aggregate value within that calendar year of \$500,000 or more.
- (u) **“Non-Utility Affiliate”** means an Affiliate that is not a Utility.
- (v) **“Occasional Services”** means services that ENMAX Power receives, or provides, in the manner of one-off, infrequent or occasional services to, or from, an Affiliate as the case may be, on a Cost Recovery Basis. Such services shall be documented by way of work order, purchase order or similar instrument.
- (w) **“Operational Efficiencies”** means the use of common facilities (such as shared warehousing or field offices), combined purchasing power or the use of other cost saving procedures, individual assets or groups of assets used in Utility operations (such as equipment, plant inventory, spare parts or similar assets).
- (x) **“Person”** means a “person” as defined in the ABCA.
- (y) **“Services Agreement”** means an agreement entered into between ENMAX Power and one or more Affiliates for the provision of Shared Services or For Profit Affiliate Services and shall provide for the following matters as appropriate in the circumstances:

- (i) the type, quantity and quality of service;
 - (ii) pricing, allocation or cost recovery provisions;
 - (iii) confidentiality arrangements;
 - (iv) the apportionment of risk;
 - (v) dispute resolution provisions; and
 - (vi) a representation by ENMAX Power and each Affiliate party to the agreement that the agreement complies with the Code.
- (z) **“Shared Service”** means any service, other than a Utility Service or a For Profit Affiliate Service, provided on a Cost Recovery Basis by ENMAX Power to an Affiliate or by an Affiliate to ENMAX Power.
- (aa) **“Subsidiary”** shall have the meaning ascribed thereto in Section 2 (4) of the ABCA.
- (bb) **“Utility”** means any Body Corporate or any unit or division thereof, that provides a Utility Service and falls within the definition of:
- (i) “electric utility” under the *Electric Utilities Act*, S.A. 2003, c. E-5.1;
 - (ii) “gas utility” under the *Gas Utilities Act*, R.S.A. 2000, c. G-5;
 - (iii) “public utility” under the *Public Utilities Board Act*, R.S.A. 2000, c. P-45;
 - (iv) “regulated rate provider” under the *Electric Utilities Act*, S.A. 2003, c. E-5.1; or
 - (v) “default supply provider” under the *Gas Utilities Act*, R.S.A. 2000, cl G-5.
- (cc) **“Utility Service”** means a service, the terms and conditions of which are regulated by the EUB, and includes services for which an individual rate, joint rate, toll, fare, charge or schedule of them, have been approved by the EUB.

2.2 Interpretation

Headings are for convenience only and shall not affect the interpretation of this Plan. Words importing the singular include the plural and vice versa. A reference to a statute, document or a provision of a document includes an amendment or supplement to, or a replacement of, that statute, document or that provision of that document.

2.3 To Whom this Plan Applies

All directors, officers, employees, consultants, contractors and agents of ENMAX Power are obligated to comply with this Plan and all directors, officers, employees, consultants, contractors and agents of Affiliates of ENMAX Power are obligated to comply with this Plan to the extent they interact with ENMAX Power.

2.4 Coming into Force

This Plan comes into force on approval by the EUB.

2.5 Amendments to this Plan

This Plan may be reviewed and amended from time to time by the EUB on its own initiative upon no less than 30 days notice to ENMAX Power.

2.6 Retained for Numbering Consistency

2.7 Authority of the EUB

Upon approval of this Plan by the EUB, such approval does not detract from, reduce or modify in any way, the powers of the EUB to deny, vary, approve with conditions, or overturn, the terms of any transaction or arrangement between ENMAX Power and one or more Affiliates that may be done in compliance with this Plan. Compliance with this Plan does not eliminate the requirement for specific EUB approvals or filings where required by statute or by EUB decisions, orders or directions.

3. GOVERNANCE AND SEPARATION OF UTILITY BUSINESSES

3.1 Governance

3.1.1 Separate Operations

Policy: The business and affairs of ENMAX Power will be managed separately from the business and affairs of its Non-Utility Affiliates, except as required to fulfill corporate governance, policy, and strategic direction responsibilities of the ENMAX group of companies.

Compliance Measures

1. The Director, Compliance will maintain an up-to-date list of the Corporate Governance Group consisting of such directors, officers and management employees as may be involved in corporate governance, policy and strategic direction responsibilities of the ENMAX group of companies (the “**Corporate Governance Group List**”).
2. On an annual basis, the Director, Compliance will provide Compliance Training to the Corporate Governance Group. Within 30 days of the end of the previous calendar year, the Director, Compliance will seek and obtain written acknowledgement from all individuals identified as the Corporate Governance Group (the “**Governance Group Special Acknowledgement**”) that they have received the Compliance Training, that they are familiar with the requirements of the Code and the Plan, and that their role in managing the business and affairs of ENMAX Power have been limited to providing corporate governance, policy, and strategic direction. The Governance Group Special Acknowledgement will also confirm that the individuals identified as the Corporate Governance Group are familiar with the provisions of the Code (including Section 3.1.5) and the Plan, and have acted in a manner which preserves the form, and the spirit and intent of the Code, and this Plan.
3. The Conduct Committee will review all Governance Group Special Acknowledgements within 60 days of the end of the previous calendar year. The minutes of the meeting at which the acknowledgements are reviewed will reflect the results of the review.
4. If any instances of non-compliance with this policy are identified by the Conduct Committee, they will be treated as an inquiry under the Code (see Section 8).

3.1.2 Retained for Numbering Consistency

3.1.3 Separate Management

Policy: Other than the Corporate Governance Group, ENMAX Power will have a separate management team and separate officers from its Non-Utility Affiliates.

Compliance Measures

1. Prior to amending the make-up of the management team of ENMAX Power, or changing the officers, the applicable Vice President or the Director, Human Resources (ENMAX Power) will provide a notice in writing to the Compliance Co-ordinator (the “**Notice of Management Team Change**”). If the Compliance Co-ordinator does not identify a concern with adherence to this policy within five working days of receiving the notice, the Vice-President may proceed with the change. If the Compliance Co-ordinator does identify a potential concern with adherence to this policy, he will advise the Vice-President within five working days, and initiate an inquiry under the Code (Section 8).
2. The Compliance Co-ordinator will maintain an up-to-date list of management team members and officers (the “**ENMAX Power Management Group and Officers List**”), and will file a copy of the list with the Conduct Committee at each meeting of the Conduct Committee.
3. At each meeting of the Conduct Committee, the ENMAX Power Management Group and Officers List will be compared to the current management team members and officers of ENMAX Power’s Non-Utility Affiliates, and the minutes of the meeting will reflect the outcome of this comparison.
4. Any conflicts with this policy identified as a result of this review will be treated as an inquiry under the Code (see Section 8).

3.1.4 Retained for Numbering Consistency

3.1.5 Guiding Principle

Policy: No individual shall act both as a director, officer, or member of a management team of ENMAX Power and as a director, officer or member of a management team of an Affiliate of ENMAX Power unless the individual is able to carry out his/her responsibilities in a manner that preserves the form, and the spirit and intent, of the Code and this Plan.

Compliance Measures

1. The Director, Compliance will maintain an up-to-date listing of directors, officers, or members of the management team of ENMAX Power who act as directors, officers, or members of the management team of an Affiliate of ENMAX Power (the “**Master Directors, Officers and Management Team List**”)
2. All such directors, officers, or members of the management team of ENMAX Power who also act as directors, officers, or members of the management team of an Affiliate of ENMAX Power will, on commencement of such dual responsibilities, provide a signed certificate to the Director, Compliance that stipulates that he/she is aware of the provisions of Section 3.1.5 of the Code, and that he/she will carry out his/her responsibilities in a manner which will preserve the form, and the spirit and intent of the Code (the “**Officer’s Undertaking**”).
3. Within 30 days of the end of each calendar year, all such directors, officers, or members of the management team of ENMAX Power who also act as directors,

officers, or members of the management team of an Affiliate of ENMAX Power will provide a signed certificate to the Director, Compliance that stipulates that he/she carried his/her responsibilities in a manner which preserved the form, and the spirit and intent of the Code (the “**Annual Officer’s Certificate**”).

4. The Director, Compliance will maintain a record of the Officer’s Undertakings and Annual Officer’s Certificates within the Master Directors, Officers and Management Team List. Any failure to provide a certificate, or the provision of a certificate which does not demonstrate adherence to the Code, will be treated as an inquiry under the Code (see Section 8).

3.2 Degree of Separation

3.2.1 Accounting Separation

Policy: ENMAX Power shall have separate financial records and books of accounts from all Affiliates.

Compliance Measures

1. The Manager, ENMAX Power Financial Services will ensure the accounts and records of ENMAX Power are kept separate from the accounts and records of all Affiliates.
2. The Manager, ENMAX Power Financial Services will provide to the Conduct Committee a signed certificate in the form attached as Schedule “B” to this Plan attesting to the accounting separation from all Affiliates and the maintenance of separate financial records and books of accounts, within 30 days of the end of the previous calendar year (the “**Annual Financial Records Certificate**”).
3. The Director, Compliance will maintain a record of Annual Financial Records Certificates. Any failure to provide a certificate, or the provision of a certificate which does not demonstrate adherence to the Code, will be treated as an inquiry under the Code (see Section 8).

3.2.2 Physical Separation

Policy: ENMAX Power shall be located in separate buildings, or shall otherwise be physically separated from all Non-Utility Affiliates through the use of appropriate security-controlled access.

Compliance Measures

1. In situations where ENMAX Power is located in the same building as a Non-Utility Affiliate, ENMAX Power will institute appropriate security controlled access, through the use of receptionists, keyed locks, or card-key access.
2. The Compliance Co-ordinator will provide to the Conduct Committee a signed certificate in the form attached as Schedule “B” to this Plan attesting to the physical

separation of ENMAX Power from all Non-Utility Affiliates within 30 days of the end of each calendar year (the “**Physical Separation Certificate**”).

3. The Director, Compliance will maintain a record of the Physical Separation Certificates. Any failure to provide a certificate, or the provision of a certificate which does not demonstrate adherence to the Code, will be treated as an inquiry under the Code (see Section 8).

3.2.3 Separation of Information Services

Policy: Where ENMAX Power shares Information Services with an Affiliate all Confidential Information will be protected from unauthorized access by the Affiliate.

Compliance Measures

1. Approval to share Information Services with an Affiliate of ENMAX Power may only be provided in writing by the Compliance Co-ordinator. A copy of each approval so issued (the “**Shared Information Decision Record**”) will be provided to the Director, Compliance who will maintain a record of the above approvals.
2. The Compliance Co-ordinator will ensure that appropriate data management and data access protocols as well as contractual provisions regarding the breach of any access protocols are in place before approving the sharing of Information Services with an Affiliate of ENMAX Power.
3. The Compliance Counsel will review the access control lists for all Information Services shared with an Affiliate of ENMAX Power and will provide to the Director, Compliance within 30 days of the end of the previous calendar year a signed certificate in the form attached as Schedule “B” to this plan attesting that he has reviewed all Information Services shared with an Affiliate of ENMAX Power and that all access by Affiliates of ENMAX Power to Information Services is in accordance with section 3.2.3 of the Code (the “**Shared Access Certificate**”).
4. The Director, Compliance will keep a record of the Shared Access Certificates. The Conduct Committee will review all Shared Access Certificates within 60 days of the end of the previous calendar year.
5. Any failure to provide a Shared Access Certificate or the provision of a certificate which does not demonstrate adherence to the Code will be treated as an inquiry under the Code (see Section 8).

3.2.4 Financial Transactions with Affiliates

Policy: Any loan, investment, or other financial support provided by ENMAX Power to a Non-Utility Affiliate is to be provided on terms no more favorable than what that Non-Utility Affiliate would be able to obtain as a stand-alone entity from the capital markets.

Compliance Measures

1. The Manager, ENMAX Power Financial Services will review all loans, investments, or other financial support provided to a Non-Utility Affiliate to ensure compliance with section 3.2.4 of the Code and Plan.
2. The Manager, ENMAX Power Financial Services will provide a signed certificate in the form attached to this Plan as Schedule “B” attesting that any loans, investments, or other financial support provided to a Non-Utility Affiliate have been provided on terms no more favourable than what the Non-Utility Affiliate would be able to obtain as a stand-alone entity (the “**Financial Arrangements Certificate**”). The Financial Arrangements Certificate will be provided to the Director, Compliance within 30 days of the end of the previous calendar year.
3. The Director, Compliance will maintain a record of the Financial Arrangements Certificates. The Conduct Committee will review all Financial Arrangements Certificates within 60 days of the end of the previous calendar year. Any failure to provide a certificate or the provision of a certificate which does not demonstrate adherence to the Code will be treated as an inquiry under the Code (see Section 8).

3.3 Resource Sharing

3.3.1 Sharing of Employees

Policy: ENMAX Power may share employees with Affiliates on a Cost Recovery Basis if the conditions described in Section 3.3.1 of the Code are met.

Compliance Measures

1. ENMAX Power employees may not be shared with an Affiliate without the written permission of the appropriate Vice-President of ENMAX Power (the “**Shared Employee Decision Record**”), who will provide the signed permission to the Compliance Co-ordinator.
2. The Compliance Co-ordinator will retain the written permission on file, and provide a quarterly report to the Director, Compliance on all instances of sharing ENMAX Power employees with Affiliates which have occurred, or continued during the reporting period (the “**Shared Employee Report**”). The Shared Employee Report will identify if the required Vice-President approval was in place before the sharing took place.
3. The Conduct Committee will review all Shared Employee Reports on a quarterly basis. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the Conduct Committee for changes to the manner in which ENMAX Power employees are shared with Affiliates. The Director, Compliance will maintain a record of the Shared Employee Reports.

4. Any recommendations by the Conduct Committee for changes to the manner in which ENMAX Power employees are shared with Affiliates will be treated as an inquiry under the Code (see Section 8). Any instances of ENMAX Power employees being shared with Affiliates without the signed permission of the appropriate Vice-President will be treated as an inquiry under the Code (see Section 8).

3.3.2 Transferring of Employees

Policy: Where an employee is being transferred from ENMAX Power to an Affiliate, the Director, Human Resources (ENMAX Power) will identify whether or not the employee had access to Confidential Information, and if it is determined that the employee did have such access, the Director, Human Resources (ENMAX Power) will obtain the necessary confidentiality agreement prior to the transfer of the employee.

Compliance Measures

1. The Director, Human Resources (ENMAX Power) will ensure that ENMAX Power receives a signed confidentiality agreement prior to the transfer of an employee from ENMAX Power to an Affiliate, and will ensure that the signed agreement is provided to the Director, Compliance for record-keeping.
2. The Director, Human Resources (ENMAX Power) will provide a quarterly report to the Director, Compliance on all instances of ENMAX Power employees transferring to Affiliates which have occurred during the reporting period, indicating whether the required signed confidentiality agreement was in place before the transfer took place (the “**Transferred Employee Report**”).
3. The Conduct Committee will review the Transferred Employee Report on a quarterly basis. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the Conduct Committee for changes to the manner in which employees are transferred to Affiliates.
4. Any recommendations by the Conduct Committee for changes to the manner in which employees transfer to Affiliates will be treated as an inquiry under the Code (see Section 8). Any instances of employees with access to Confidential Information being transferred to an Affiliate in the absence of a signed confidentiality agreement will be treated as an inquiry under the Code (see Section 8).

3.3.3 Sharing of Assets

Policy: Plant, assets and equipment of ENMAX Power shall be separated in ownership and separated physically from the plant, assets and equipment of Non-Utility Affiliates.

Compliance Measures

1. The Manager, ENMAX Power Financial Services will maintain an inventory of all plant, assets and equipment shared with Affiliates (the “**Shared Assets List**”).

2. The Manager, ENMAX Power Financial Services will ensure that no plant, assets and equipment are shared with Non-Utility Affiliates.
3. Any sharing of the plant, assets and equipment with Non-Utility Affiliates will be treated as an inquiry under the Code (see Section 8).

3.3.4 Shared Services Permitted

Policy: ENMAX Power may obtain Shared Services from, or provide Shared Services to, an Affiliate where it is prudent to do so, provided that each of ENMAX Power and the Affiliates bear its proportionate share of costs.

Compliance Measures

1. The Director, Compliance will maintain an inventory of all Shared Services Agreements including a listing of Shared Services obtained from, or provided to an Affiliate (the “**Shared Services List**”).
2. All new or revised Shared Services will be documented by a Services Agreement.
3. Prior to receiving a Shared Service, a business case identifying that it is prudent to obtain the Shared Services will be prepared by the appropriate ENMAX Power employee and presented to the Conduct Committee in the form of a decision record (the “**Shared Services Decision Record**”) for review and approval.
4. Prior to providing a Shared Service, the Services Agreement will be prepared (or an existing Services Agreement amended as the case may be) by the appropriate ENMAX Power employee and presented to the Conduct Committee for review and approval.
5. At the first meeting of the Conduct Committee in each year, the Shared Services List will be reviewed. The results of the review will be reflected in the minutes of the meeting. Any Shared Service Services Agreements which no longer meet the test of continued prudence will be revised or terminated in accordance with the terms of the Services Agreement.

3.3.5 Retained for Numbering Consistency

3.3.6 Occasional Services Permitted

Policy: ENMAX Power may receive, or provide, one-off, infrequent, or Occasional Services to, or from, an Affiliate on a Cost Recovery Basis, documented by way of a work order, purchase order, or similar instrument, where the Occasional Services are not material as to value, frequency, or use of resources.

Compliance Measures

1. The Compliance Co-ordinator will ensure that all Occasional Services provided to, or received by an Affiliate are provided on a Cost Recovery Basis, and are documented by way of an approved work order, purchase order, or similar instrument.
2. Within 30 days of the end of the previous calendar year, the Compliance Co-ordinator will provide to the Conduct Committee a report of all Occasional Services provided by ENMAX Power to an Affiliate and of all Occasional Services provided by any Affiliate to ENMAX Power, indicating whether the services have been provided on a cost recovery basis, have been properly documented, and remain non-material, as required by Section (k) of the Compliance Report (the “**Occasional Services Report**”).
3. The Conduct Committee will review the Occasional Services Reports within 60 days of the end of the previous calendar year. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the Conduct Committee for changes to the provision, receipt and documentation of Occasional Services.
4. Any recommendations by the Conduct Committee for changes to the provision, receipt and documentation of Occasional Services, will be treated as an inquiry under the Code (see Section 8).

3.3.7 Emergency Services Permitted

Policy: In the event of an emergency, ENMAX Power may receive, or provide, services and resources to, or from, an Affiliate on a Cost Recovery Basis.

Compliance Measures

1. The Compliance Co-ordinator will ensure that all emergency services and resources provided to, or received by an Affiliate in the event of an emergency are provided on a Cost Recovery Basis, and are documented by way of an approved work order, purchase order or similar instrument.
2. Within 30 days of the end of the previous calendar year, the Compliance Co-ordinator will provide to the Director, Compliance a report of all Emergency Services provided by ENMAX Power to an Affiliate and vice versa, indicating whether the services have been provided on a cost recovery basis, have been properly documented, and remain non-material, as required by Section (l) of the Compliance Report (the “**Emergency Services Report**”). The Director, Compliance will keep a record of all Emergency Services Reports.
3. The Conduct Committee will review the Emergency Services Reports within 60 days of the end of the previous calendar year. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the Conduct Committee for changes to the provision, receipt and documentation of Emergency Services.

4. Any recommendations by the Conduct Committee for changes to the provision, receipt and documentation of Emergency Services, will be treated as an inquiry under the Code (see Section 8).

4. TRANSFER PRICING

4.1 For Profit Affiliate Services

Policy: ENMAX Power may, when it determines it is prudent to do so in operating its Utility business, obtain or provide For Profit Affiliate Services to an Affiliate, subject to the provisions of Sections 4.2 and 4.3 of the Code.

Compliance Measures

1. The Director, Compliance will maintain an inventory of all For Profit Affiliate Services which ENMAX Power has obtained from, or provided to an Affiliate. On a quarterly basis, the Director, Compliance will prepare a report describing all For Profit Affiliate Services obtained from, or provided to an Affiliate and will maintain a record of the above reports (the “**For Profit Services Report**”).
2. All existing, new or revised For Profit Affiliate Services will be documented by a Services Agreement, duly executed by ENMAX Power employees with the appropriate signing authority.
3. Prior to implementing a new or revised For Profit Affiliate Service to receive services from an Affiliate a business case identifying that it is prudent to obtain the For Profit Affiliate Service in the form of a decision record (the “**For Profit Services Decision Record**”) will be presented to the Conduct Committee for review and approval. The For Profit Services Decision Record must contain adequate evidence (on a net present value basis appropriate to the life cycle or operating cycle of the services involved) to conclude that the decision to out-source is the lowest cost option for customers, and that the For Profit Affiliate Services have been acquired at a price which is no more than Fair Market Value. Fair Market Value will be determined in a manner consistent with Section 4.5 of the Code.
4. Prior to implementing a new or revised For Profit Affiliate Service to provide services to an Affiliate, the Services Agreement, and a For Profit Service Decision Record establishing a price which is no less than Fair Market Value will be reviewed and approved by the Conduct Committee. Fair Market Value will be determined in a manner consistent with Section 4.5 of the Code.
5. At the first meeting of the Conduct Committee in each year the For Profit Services List for ENMAX Power will be reviewed. The results of the review will be reflected in the minutes of the meeting. Any For Profit Affiliate Service which no longer meets the test of continued prudence will be revised or terminated in accordance with the terms of the Service Agreement.

6. Failure to provide a list described in item 1 above will be treated as an inquiry under the Code (see Section 8).

4.2 Retained for Numbering Consistency

4.2.1 Retained for Numbering Consistency

4.2.2 Retained for Numbering Consistency

4.3 Retained for Numbering Consistency

4.4 Asset Transfers

Policy: Assets transferred, mortgaged, leased or otherwise disposed of by ENMAX Power to an Affiliate or by an Affiliate to ENMAX Power will be at Fair Market Value, subject to the provisions of Section 4.6 of the Code.

Compliance Measures

1. The Manager, ENMAX Power Financial Services of ENMAX Power will approve any asset transfers, mortgages, leases, or other dispositions by ENMAX Power to an Affiliate, or by an Affiliate to ENMAX Power, and will ensure that such asset transfers are at Fair Market Value, subject to the provisions of Section 4.6 of the Code. Such approval will be recorded in writing (the “**Asset Disposition Decision Record**”).
2. Within 30 days of the end of the previous calendar year, the Manager, ENMAX Power Financial Services will provide a report to the Director, Compliance detailing any asset transfers between ENMAX Power and Affiliates. The report will describe the manner in which the asset transfers were determined to be at Fair Market Value, subject to the provisions of Section 4.6 of the Code (the “**Asset Disposition List**”). The Director, Compliance will keep a record of Asset Disposition Lists.
3. Within 60 days of the end of the previous calendar year, the Conduct Committee will review the Asset Disposition Lists. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the Conduct Committee for changes to the methods used to ensure that asset transfers are at Fair Market Value, subject to the provisions of Section 4.6 of the Code.
4. Any recommendations by the Conduct Committee for changes to the methods used to ensure that asset transfers between ENMAX Power and Affiliates are priced at Fair Market Value, subject to the provisions of Section 4.6 of the Code, will be treated as an inquiry under the Code (see Section 8).

4.5 Retained for Numbering Consistency

4.6 Retained for Numbering Consistency

5. EQUAL TREATMENT WITH RESPECT TO UTILITY SERVICES

5.1 Impartial Application of Tariff

Policy: ENMAX Power shall apply and enforce all tariff provisions related to Utility Services impartially, in the same timeframe, and without preference in relation to its Affiliate and all other customers or prospective customers.

See the Compliance Measures in Section 7.2 of this Plan.

5.2 Equal Access

Policy: ENMAX Power shall not favour any Affiliate with respect to access to information concerning Utility Services or with respect to the obtaining of, or the scheduling of, Utility Services. Requests by an Affiliate or an Affiliate's customers for access to Utility Services shall be processed and provided in the same manner as would be processed or provided for other customers of ENMAX Power.

See the Compliance Measures in Section 7.2 of this Plan.

5.3 No Undue Influence

Policy: ENMAX Power shall not condition or otherwise tie the receipt of Utility Services to a requirement that a customer must also deal with an Affiliate. ENMAX Power shall ensure that its employees do not explicitly or by implication, suggest that an advantage will accrue to a customer in dealing with ENMAX Power if the customer also deals with an Affiliate of ENMAX Power.

See the Compliance Measures in Section 7.2 of this Plan.

5.4 Affiliate Activities

Policy: ENMAX Power shall take reasonable steps to ensure that an Affiliate does not imply in its marketing material or otherwise, favoured treatment or preferential access to Utility Services.

See the Compliance Measures in Section 7.2 of this Plan.

5.5 Name and Logo

Policy: ENMAX Power shall take reasonable steps to ensure that an Affiliate does not use its name, logo or other distinguishing characteristics in a manner which would mislead consumers as to the distinction or lack of distinction between ENMAX Power and an Affiliate.

See the Compliance Measures in Section 7.2 of this Plan.

5.6 Retained for Numbering Consistency

6. CONFIDENTIALITY OF INFORMATION

6.1 Utility Information

Policy: Subject to Section 6.2 of the Code, ENMAX Power shall not provide Non-Utility Affiliates with information relating to the planning, operations, finances or strategy of ENMAX Power before such information is publicly available.

See the Compliance Measures in Section 7.2 of this Plan.

6.2 Management Exception

Policy: Officers of ENMAX Power who are also officers of an Affiliate as permitted pursuant to Section 3.1.4 of the Code may disclose, subject to the provisions of Section 3.1.5 of the Code, Utility planning, operational, financial and strategic information to the Affiliate to fulfill their responsibilities with respect to corporate governance, policy and strategic direction of an Affiliated group of businesses, but only to the extent necessary and not for any other purpose.

See the Compliance Measures in Section 3.1 of this Plan.

6.3 No Release of Confidential Information

Policy: ENMAX Power shall not release to an Affiliate Confidential Information relating to a customer or prospective customer, without receiving the prior written consent of the customer or prospective customer, unless such Confidential Information may be disclosed in connection with an inquiry described in Section 6.3 of the Code. Confidential Information to be disclosed in connection with an inquiry described in Section 6.3 of the Code must be approved by the Compliance Co-ordinator prior to being released.

Compliance Measures

1. Approval will be obtained from a customer, or prospective customer, in writing, indicating their consent to share Confidential Information relating to the customer or prospective customer with an Affiliate of ENMAX Power before the information is shared, unless such confidential information may be disclosed to an Affiliate in connection with a disclosure required under Section 6.3 of the Code.
2. Written consent received from a customer or prospective customer will be provided to the Compliance Co-ordinator (or to his/her delegate), who will verify that the information has not yet been shared and will maintain the consent documentation on file as a record of the approval. Management can then release the information.
3. If confidential information is to be disclosed to an Affiliate in connection with a disclosure required under Section 6.3 of the Code, the Compliance Co-ordinator or his/her delegate will verify the circumstances and, if appropriate, will provide record of the authority for disclosure prior to the information being released.

4. The Compliance Co-ordinator will provide a signed certificate in the form attached as Schedule “B” to this plan attesting that no unauthorized release of Confidential Information related to a customer or prospective customer has occurred without receiving the prior written consent of the customer or prospective customer, to the Director, Compliance within 30 days of the end of the previous calendar year (the “**Protection of Confidential Information Certificate**”).
5. The Director, Compliance will maintain a record of the Protection of Confidential Information Certificates. Any failure to provide a certificate as described in paragraph 4 above or the provision of a certificate which does not demonstrate adherence to the Code will be treated as an inquiry under the Code (see Section 8).

6.4 Aggregated Confidential Information

Policy: ENMAX Power may disclose Confidential Information when aggregated with the Confidential Information of other customers in such a manner that an individual customer’s Confidential Information can not be identified, provided that ENMAX Power shall not disclose such aggregated customer information to an Affiliate prior to making such information publicly available.

Compliance Measures

1. If management of ENMAX Power proposes to disclose aggregated Confidential Information to an Affiliate, the Compliance Co-ordinator (or his/her delegate) will verify the aggregated information and, if appropriate, will provide an authorization in writing prior to the information being released. Management can then release the information.
2. The Compliance Co-ordinator (or his/her delegate) will verify that the information has not been released to an Affiliate before being released to the public and will maintain a record of the approval on file.
3. The Compliance Co-ordinator will provide to the Director, Compliance a signed certificate in the form attached as Schedule “B” to this plan attesting that no unauthorized release of aggregated Confidential Information has occurred to an Affiliate prior to making such information publicly available, within 30 days of the end of the previous calendar year (the “**Aggregated Confidential Information Certificate**”).
4. The Director, Compliance will maintain a record of the Aggregated Confidential Information Certificates. Any failure to provide a certificate as described in paragraph 3 above or the provision of a certificate which does not demonstrate adherence to the Code will be treated as an inquiry under the Code (see Section 8).

7. COMPLIANCE MEASURES

7.1 Responsibility for Compliance

Policy: ENMAX Power shall be responsible for ensuring compliance with the Code on the part of its directors, employees, consultants, contractors and agents, and by Affiliates of ENMAX Power.

See the Compliance Measures in Section 7.2 of this Plan.

7.2 Communication of Code and Compliance Plan

Policy: ENMAX Power will communicate the contents of the Code and the Compliance Plan, and any modifications to them from time to time to each of its directors, officers, employees, consultants, contractors, agents and Affiliates, and make the Code and the Compliance Plan available on the ENMAX Power website.

Compliance Measures

1. Each director, officer, employee, consultant, contractor, agent and Affiliate of ENMAX Power will be directed to a copy of the Code as part of the Compliance Training delivered shortly after commencement of their relationship with ENMAX Power.
2. See the Compliance Measures in Section 3.1.1 for the record keeping which will exist for the Corporate Governance Group.
3. For ENMAX Power employees (not included in the Corporate Governance Group), a signed acknowledgement that the employee has received, and is familiar with, the Code and this Compliance Plan (the “**Training Acknowledgement**”) will be obtained on the completion of Compliance Training delivered shortly after commencement of employment with ENMAX Power. The acknowledgement will be kept in the files of the Director, Compliance.
4. For ENMAX Power consultants, contractors, and agents, the Director, Compliance will ensure that appropriate review of the work assignment of the consultant, contractor, or agent is carried out to determine if the work assignment is affected by the existence of the Code. If the responsible employee determines that the work assignment of the consultant, contractor, or agent may be affected by the Code, the responsible employee will provide reasonable information about the Code to the affected party, and will require a Training Acknowledgement from the consultant, contractor, or agent. The Training Acknowledgement will be kept in the files of the Director, Compliance.
5. The Director, Compliance will provide copies of the Code and this Compliance Plan to all Affiliates of ENMAX Power on an annual basis, addressed to a senior officer of the Affiliate or through the ENMAX intranet.

6. On an annual basis, and within 60 days of the end of the previous calendar year, the Director, Compliance will ensure that each employee for ENMAX Power has confirmed (through Training Acknowledgement) that they have received the current Compliance Training, are aware of the Code and this Compliance Plan, and are aware of their contents, and agree to abide by their requirements and have abided by the Code in the previous year. The Training Acknowledgements will be maintained in the files of the Director, Compliance.
7. Within 90 days of the end of the previous calendar year, the Director, Compliance will provide the Conduct Committee a written report identifying which, if any ENMAX Power employees have not signed a Training Acknowledgment (the “**Annual Compliance Training Report**”).
8. The Director, Compliance will post the Code and the Compliance Plan on the ENMAX Power website and the ENMAX intranet.

7.3 Retained for Numbering Consistency

7.4 Responsibilities of the Director, Compliance and Compliance Co-ordinator

Policy: The Director, Compliance will discharge the responsibilities detailed in Section 7.4 of the Code. The Director, Compliance may delegate these responsibilities to the Compliance Co-ordinator.

Compliance Measures

1. The responsibilities of the Director, Compliance are the “Responsibilities of Compliance Officer” described in Section 7.4 of the Code as amended from time to time. The Director, Compliance is ultimately responsible for all Code compliance activities within ENMAX Power and is obligated to ensure performance of all of the responsibilities of “Compliance Officer” as contemplated by the Code for ENMAX Power.
2. Within 60 days of the end of the previous calendar year, the Director, Compliance of ENMAX Power will prepare a report to the Conduct Committee detailing the manner in which he/she has discharged the above responsibilities. The report will be prepared in a manner consistent with Sections 7.4 and 7.6 of the Code (the “**Compliance Report**”). The records required to be maintained by the Director, Compliance pursuant to Section 7.4 of the Code will be retained for a period of six years in a manner sufficient to support a third party audit of the state of compliance with the Code.
3. At its next meeting following receipt of the above report, the Conduct Committee will review the Compliance Report. The results of the review and any recommendations by the Conduct Committee for improvements to the manner in which the Director, Compliance and Compliance Co-ordinator discharge the above responsibilities will be detailed in the minutes of the meeting.

4. Any recommendations by the Conduct Committee for changes to the manner in which the Director, Compliance and Compliance Co-ordinator discharge the above responsibilities will be treated as an inquiry under the Code (see Section 8).

7.5 The Compliance Plan

Policy: ENMAX Power will prepare a Compliance Plan, review it at least annually, and update it as necessary.

Compliance Measures

1. A copy of the current Compliance Plan, indicating the date of its last review will be filed with the EUB as Section (a) of the annual Compliance Report of ENMAX Power.

7.6 The Compliance Report

Policy: ENMAX Power will prepare a Compliance Report in accordance with Section 7.6 of the Code, and file it with the EUB within 120 days of the fiscal year end of ENMAX Power. The Compliance Report will be posted on ENMAX Power's web site, and interested parties will be advised promptly when the Compliance Report has been posted on the website.

Compliance Measures

1. The annual Compliance Report will meet the requirements of Section 7.6 of the Code as amended from time to time.
2. Quarterly, ENMAX Power will provide an exception report or a more detailed report, if there is a matter that ought to be brought to the attention of the Board.

7.7 Retained for Numbering Consistency

7.8 Retained for Numbering Consistency

8. DISPUTES, COMPLAINTS AND INQUIRIES

8.1 Filing with the Compliance Officer

Policy: The Director, Compliance will keep a record of all written (or e-mailed) disputes, complaints or inquiries from within the ENMAX Power or from external parties respecting the application of, or alleged non-compliance with, the Code. The identity of the party making the dispute, complaint, or inquiry will be kept confidential.

Compliance Measures

1. The Director, Compliance will keep the necessary records of disputes, complaints, or inquiries (the “**Conduct Intake List**”).
2. The Director, Compliance will ensure that appropriate instructions for sending disputes, complaints, or inquiries are posted on the ENMAX Power website.
3. The Director, Compliance will ensure that a description of how the disputes, complaints or inquiries will be investigated (in a manner consistent with the Code) is posted on the ENMAX Power website.

8.2 Processing by Utility

8.2.1 Compliance Officer Acknowledgment

Policy: The Director, Compliance shall acknowledge all disputes, complaints or inquiries in writing (which includes e-mail) within five working days of receipt.

Compliance Measures

See Section 8.1.

8.2.2 Disposition

Policy: The Director, Compliance shall respond to the dispute, complaint or inquiry within 21 working days of its receipt. The response shall include a description of the dispute, complaint or inquiry and the initial response of ENMAX Power to the issues identified in the submission. ENMAX Power’s final disposition of the dispute, complaint or inquiry shall be completed as expeditiously as possible in the circumstances, and in any event within 60 days of receipt of the dispute, complaint or inquiry, except where the party making the submission otherwise agrees.

Compliance Measures

See Section 8.1.

8.3 Referral to the EUB

Policy: The Director, Compliance shall ensure that instructions on how to refer disputes to the EUB are contained on the ENMAX Power website.

Compliance Measures

1. Instructions for referring disputes to the EUB will be posted on the ENMAX Power website.

9. RETAINED FOR NUMBERING CONSISTENCY

9.1 Retained for Numbering Consistency

9.2 Retained for Numbering Consistency

10. EFFECTIVE DATE OF THE COMPLIANCE PLAN

This Plan comes into effect on final approval of the EUB.

11. SCHEDULE A – OFFICER’S CERTIFICATE

To: The Alberta Energy and Utilities Board

I, _____ of the City of _____, in the Province of Alberta, acting in my position as an officer of ENMAX Power and not in my personal capacity, to the best of my knowledge do hereby certify as follows:

1. My position with ENMAX Power is _____, and as such I have personal knowledge of, or have conducted due inquiry of individuals who have personal knowledge of, the facts and matters herein stated.
2. Capitalized terms used herein (which are not otherwise defined herein) shall have the meanings ascribed thereto in the ENMAX Power Inter-Affiliate Code of Conduct (the Code).
3. I have read the Code, the ENMAX Power Inter-Affiliate Code of Conduct Compliance Plan dated _____ and the ENMAX Power Compliance Report dated _____.
4. The form and contents of the Compliance Report comply with the requirements of the Code and the matters reported therein are fully and accurately described.
5. I am not aware of any material non-compliance with the provisions of the Code by any director, officer, employee, consultant, contractor or agent of ENMAX Power, or by any Affiliate of ENMAX Power (including any director, officer, employee, consultant, contractor or agent of the Affiliate) with respect to any interaction between an Affiliate and ENMAX Power that is not fully and accurately described in the Compliance Report.

Name: _____

Title: _____

Date: _____

12. SCHEDULE B – COMPLIANCE REPORT

To: Director, Compliance/Compliance Co-ordinator and Compliance Committee

I, _____ of the City of _____, in the Province of Alberta, acting in my position as an officer of ENMAX Power and not in my personal capacity, to the best of my knowledge do hereby certify as follows:

1. Section _____ of the ENMAX Power Inter-Affiliate Code of Conduct Compliance Plan requires me to provide this Compliance Certificate on or before _____.
2. My position with ENMAX Power is _____, and as such I have personal knowledge of, or have conducted due inquiry of individuals who have personal knowledge of, the facts and matters herein stated.
3. For the period of _____ to _____, ENMAX Power has been in compliance with the requirements of Section _____ of the Code, with the exception (if any) of the items described on the attached sheet.

Name: _____

Title: _____

Date: _____