

April 28, 2017

Alberta Utilities Commission  
Fifth Avenue Place,  
4th Floor, 425 - 1 Street SW  
Calgary, Alberta  
T2P 3L8

Attention: Mr. R.D. Heggie, Chief Executive

Dear Mr. Heggie:

**Re: AltaLink Annual Compliance Report for the 2016 Reporting Period pursuant to AltaLink Inter-Affiliate Code of Conduct Compliance Plan (EUB Decision 2005-124) (the "AltaLink Plan")**

Attached please find the AltaLink Compliance Report for the 2016 reporting period as required under the AltaLink Plan. Also attached are proposed amendments to the AltaLink Plan, as described in the 2016 Compliance Report. The proposed amendments to the AltaLink Plan are provided in clean and blackline versions. The amendments generally reflect the changes approved by the Commission for ATCO Electric's Compliance Plan. AltaLink requests approval of the amended Compliance Plan.

Please contact me at (403) 267-3450 should you have any questions or comments regarding this Compliance Report.

Sincerely,

*(Original signed by)*

Zora Lazic  
SVP, Law & Regulatory, General Counsel  
and Compliance Officer

Encl.

**ALTALINK, L.P., by its general partner,  
ALTALINK MANAGEMENT LTD.**

**2016 Compliance Report  
pursuant to section 7.6 of the AltaLink  
Inter-Affiliate Code of Conduct (EUB Decision 2004-068) (“the “Code”) and  
the AltaLink Compliance Plan (EUB Decision 2005-124) (the “AltaLink Plan”)**

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**1.0 INTRODUCTION**

1. The Code requires the Compliance Officer for AltaLink to perform an annual review of compliance with the AltaLink Plan and to prepare an annual Compliance Report (“Report”). The Report is to be filed with the Alberta Utilities Commission (“AUC”) within 120 days of the fiscal year end of AltaLink for the immediately preceding fiscal year. This Report is for the AltaLink fiscal year from January 1, 2016 to December 31, 2016 (the “Reporting Period”).
2. Unless otherwise defined herein, capitalized terms shall have the meaning attributed to such terms in the Code.
3. This Compliance Report includes the following information for the Reporting Period:
  - a copy of the current AltaLink Plan with proposed amendments thereto attached as **Appendix 2**;
  - a corporate organization chart for AltaLink and its Affiliates indicating relationships and ownership percentages attached as **Appendix 3**;
  - a list of Affiliates with whom AltaLink transacted business, including business addresses, a list of the Affiliates’ officers and directors, and a description of the Affiliates’ business activities attached as **Appendix 4**;
  - a list of all Service Agreements in effect at any time during such period attached as **Appendix 5**;
  - an overall assessment of compliance with the Code by AltaLink, including compliance by the directors, officers, employees, consultants, contractors and agents of AltaLink and by Affiliates of AltaLink with respect to the interactions of the Affiliates with AltaLink discussed in Section (e) below;
  - an assessment of the effectiveness of the AltaLink Plan and any recommendations for modifications thereto discussed in Section (f) below;
  - in the event of any material non-compliance with the Code, a comprehensive description thereof and an explanation of all steps taken to correct such non-compliance discussed in Section (g) below;
  - subject to the confidentiality provisions of Section 8.1 of the Code, a summary of disputes, complaints and inquiry activity during that year discussed in Section (h) below;
  - a list and detailed description of all Major Transactions between AltaLink and its Affiliates attached as **Appendix 6**;

- an Affiliate Party Transaction Summary attached as **Appendix 7**;
- a summary description together with an estimated aggregate value for each Occasional Service provided by AltaLink to an Affiliate and by Affiliates to AltaLink discussed in Section (k) below;
- a summary list of any exemptions granted to the Code or exceptions utilized, including the exception for emergency services discussed in Section (l) below;
- a list of all employee transfers, temporary assignments and secondments between AltaLink and its Affiliates, detailing specifics as to purpose, dates and duration of such employee movements attached as **Appendix 8**; and
- two officer's certificates attesting to the completeness of the Compliance Report and compliance with the Code, one certificate signed by the Compliance Officer and a second certificate signed by the highest ranking operating officer of AltaLink attached as **Appendix 9**.

## **2.0 ALTALINK COMPLIANCE REPORT**

### **(a) The AltaLink Plan**

4. AltaLink was required under EUB Decision 2005-124 to file a compliance plan with its regulator, then the Alberta Energy and Utilities Board. For purposes of these considerations, the earlier decisions and pronouncements of the Alberta Energy and Utilities Board, the AUC's predecessor, are effectively decisions and pronouncements of the AUC, and are treated as such. References herein to the AUC include matters determined by either of both of those bodies. AltaLink and the AUC worked together to prepare a new compliance plan which conformed with the compliance plans being filed with the AUC by other utilities in the Province of Alberta. The revised compliance plan was approved by the AUC and is effective as of and from November 15, 2005 (hereinafter referred to as the "AltaLink Plan"). In 2014 AltaLink provided to the AUC changes to the AltaLink Plan to reflect the new ownership structure following the sale of AltaLink to Berkshire Hathaway Energy.
5. The Code as currently filed, is included as **Appendix 1**.
6. This report provides general information in respect of AltaLink's compliance with the original compliance plan and specific information required by the AltaLink Plan following its implementation. The AltaLink Plan is reviewed annually by the Compliance Plan Committee and relevant processes are reviewed and documented by the Compliance Officer to ensure that the AltaLink Plan remains forefront in consideration for all AltaLink business decisions and the continued compliance by AltaLink with the spirit and intent of the Code. Included as **Appendix 2** is a clean and blackline version of the current AltaLink Plan with proposed amendments.

### **(b) Corporate Organization Chart**

7. A corporate organization chart is attached as **Appendix 3** showing the percentages of ownership of each of AltaLink's shareholders as of December 31, 2016. This organization chart reflects the corporate ownership structure of AltaLink which existed at the end of the Reporting Period.

**(c) List of Affiliates**

8. A list of all Affiliates with whom AltaLink transacted business in the Reporting Period is attached as **Appendix 4**. This appendix includes the business address, list of officers and directors and a description of the Affiliates' business activities.

**(d) List of Service Agreements**

9. **Appendix 5** contains a list of all service agreements between AltaLink and its Affiliates which were in effect during the Reporting Period.

**(e) Overall Assessment of Compliance with the Code**

10. On October 4, 2010, the AUC issued Decision 2010-481 wherein the AUC noted that compliance with Section 3.3.1 of the Code (Sharing of Employees) was an issue which affected all utility codes of conduct and, as result, the AUC suspended the requirement for utilities, including AltaLink, to comply with these employee sharing provisions of the code while the AUC undertook a consultative process with the utilities to further review the code. On November 8, 2010 the AUC issued Bulletin 2010-30 announcing that it would establish a review of utility inter-affiliate codes of conduct, with a view to establishing an AUC rule regarding inter-affiliate relationships. AltaLink actively participated in the Inter-Affiliate Code of Conduct Consultation process (Proceeding ID No. 1216) until the proceeding was temporarily suspended by the AUC on March 23, 2012. On November 6, 2012 the AUC announced the continued suspension of the Consultation process until further notice, in consideration of the heavy regulatory calendar facing participants.
11. AltaLink is operating, unless as otherwise disclosed, in compliance with all provisions of the Code and is committed to the spirit and intent of the Code. Directors, officers, employees, consultants, contractors, agents and Affiliates of AltaLink were informed about the contents of the Code and AltaLink Plan and their associated roles and responsibilities at the beginning of the Reporting Period. In 2016 and 2017, AltaLink continued its delivery of training as an e-learning module that employees access and complete at their own convenience but within the required 45 calendar days of year end mandated by the Code. All officers and employees of AltaLink were asked to acknowledge (at completion of the e-learning module) that they had received a current copy of the Code and the AltaLink Plan, were aware of their contents, agreed to abide by their requirements, and had abided by the Code in the previous year. There are also written materials available on AltaLink's internal website which also form part of the compliance training material used to communicate the AltaLink Plan.
12. Acknowledgment of the Code is required, under the provisions of the AltaLink Plan, to be received by AltaLink within 45 days of the fiscal year end. It is confirmed that 100% of AltaLink's employees have provided a positive acknowledgment as at the date of this report being filed. The employees who did not provide positive acknowledgments are all identified as being on extended excused absences.
13. A list of employees who had not acknowledged receipt of the AltaLink Plan and the Code was forwarded to the Compliance Plan Committee as required under the provisions of the AltaLink Plan, allowing the Compliance Plan Committee an opportunity to comment on the process. The Compliance Plan Committee members were satisfied with the

efforts and procedures which had been implemented to acquire the employee acknowledgments.

**(f) Assessment of AltaLink Plan Effectiveness**

14. The AltaLink Plan has been effective in achieving the purpose of the Code, namely to:
- prevent AltaLink from cross-subsidizing Affiliate activities;
  - protect confidential customer information collected in the course of providing utility services;
  - ensure Affiliates and their customers do not have preferential access to utility services; and
  - avoid uncompetitive practices between AltaLink and its Affiliates, which may be detrimental to the interests of AltaLink customers.
15. The AltaLink Plan describes the measures AltaLink will take in regard to the communication, education and review of Code requirements to achieve this purpose. These measures have been supported in the Plan through specific actions and procedures to ensure that AltaLink's Affiliate business transactions comply with all aspects of the Code. AltaLink has implemented these measures and has not received any complaints, inquiries or disputes with respect to the Code from internal or external parties regarding the application of or compliance with Code provisions.

**(g) Comprehensive Description of any Material Non-Compliance with the Code**

16. As of the date of this Compliance Report, AltaLink believes that it has complied with the Code's requirements.

**(h) Summary of Disputes, Complaints and Inquiry Activity**

17. AltaLink has not received any internal or external disputes, complaints or inquiries with respect to the application of, and alleged non-compliance with, the Code or the AltaLink Plan during the Reporting Period.

**(i) List of all Major Transactions between AltaLink and Affiliates**

18. All Major Transactions relating to the provision of services between AltaLink and Affiliates with an aggregate value of \$500,000 or more that occurred in 2016 are detailed in **Appendix 6**.

**(j) Affiliate Party Transaction Summary**

19. A summary overview of the types of transactions provided between AltaLink and Affiliates containing a general description of the transactions and services, the parties involved and the approximate aggregate value is attached as **Appendix 7**.

**(k) Summary Description for Occasional Service provided by AltaLink to/from an Affiliate**

20. There are no occasional services provided by or to AltaLink from any Affiliates during the Reporting Period.

**(l) Summary List of any Exemptions or Exceptions to the Code including Emergency Services**

21. No exemptions to the Code were requested by, or granted to, AltaLink and no emergency services were provided or received by AltaLink during the Reporting Period. Except as identified in **Appendix 4**, no exceptions to the Code were utilized by AltaLink.

**(m) List of all Employee Transfers, Temporary Transfers and Secondments between AltaLink and Affiliates**

22. Employee transfers, temporary assignments and secondments between AltaLink and its Affiliates in 2016 are listed in **Appendix 8**.
23. AltaLink's Human Resources group is responsible for and ensured that all vice-presidents affected by employee sharing arrangements provide written permission in advance of the shared use of an employee.

**(n) Certificates Attesting to Completeness of the Compliance Report and Compliance with the Code**

24. Two Officer's Certificates, one signed by the Compliance Officer and one signed by the Chief Operating Officer of AltaLink, attesting to the completeness of the Compliance Report and compliance with the Code, are attached as **Appendix 9**.

**3.0 CONCLUSION**

25. AltaLink believes that it has complied with and operated within the provisions, spirit and intent of the Code and the AltaLink Plan, except as disclosed in this Compliance Report. This Compliance Report will be posted on the AltaLink website and interested parties will be advised.

**ALTALINK MANAGEMENT LTD.**

**INTER-AFFILIATE**

**CODE OF CONDUCT**

**DECEMBER 30, 2003**

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**ALTALINK MANAGEMENT LTD.**  
**INTER-AFFILIATE**  
**CODE OF CONDUCT**

**1 INTRODUCTION AND BACKGROUND**

This Code has been prepared in fulfillment of the ~~EUB's~~ <sup>AUC's</sup> direction to AML at page 139 of ~~EUB~~ Decision 2003-061.

**1.1 Purpose of the Code**

The purpose of this Code is to establish standards and conditions for interaction between AML and its Utility and Non-Utility Affiliates. This Code attempts to anticipate and adjust for the potential misalignment of interest between shareholders and Utility customers occasioned by Affiliate interactions through the establishment of parameters for transactions, information sharing and the sharing of services and resources, while permitting economies of scale and operating efficiencies.

These parameters are intended to:

- a) prevent Utilities from cross-subsidizing Affiliate activities;
- b) protect confidential customer information collected in the course of providing Utility services;
- c) ensure Affiliates and their customers do not have preferential access to Utility services; and
- d) avoid uncompetitive practices between Utilities and their Affiliates, which may be detrimental to the interests of Utility customers.

**1.2 Objectives of Code**

While the overall purpose of the Code is to establish standards and parameters which prohibit inappropriate Affiliate conduct, preferences or advantages, which may adversely impact the customers of regulated businesses, this purpose reflects several important underlying objectives, including:

- a) creating a clearly defined set of rules designed to enhance inter-affiliate transparency, fairness and senior management accountability with respect to inter-affiliate interactions impacting regulated businesses;
- b) providing an environment in which inter-affiliate economies and efficiencies can legitimately occur for the mutual advantage of both a Utility's customers and its shareholders;

- c) developing support and respect for the Code by the employees, officers and directors of the AltaLink group of companies, which will in turn promote ratepayer confidence in the application of the Code; and
- d) the creation of regulatory processes and cost efficiencies through the consistent application of a clear set of standards and reporting requirements to Utility inter-affiliate transactions, enhanced by a practical, resolution driven, dispute process.

### 1.3 Respect for the Code

Standards and rules alone, however, will always be insufficient to achieve the objectives of this Code. These objectives can only be fully realized through a demonstrated respect for the spirit and intent behind the words by those individuals to whom the Code applies.

### 1.4 Application

This Code is not meant to replace or modify in any manner, any statutory or regulatory requirements relating to Utilities.

## 2 GENERAL PROVISIONS

### 2.1 Definitions

In this Code the following words and phrases shall have the following meanings:

- a) “ABCA” means the Alberta *Business Corporations Act*, R.S.A. 2000, c. B-9.
- b) “Affiliate” means with respect to any Utility:
  - i. an “affiliate” as defined in the ABCA;
  - ii. all general and limited partners of ALP;
  - iii. all general and limited partners of AILP;
  - iv. all general partners and limited partners of AHL P;
  - v. ~~iv.~~ all shareholders of AML;
  - vi. ~~v.~~ all shareholders of AIML; and
  - ~~vi.~~ ~~SNC-Lavalin ATP Inc.~~
  - vii. a unit or division within the Utility or any Body Corporate referred to in clauses (b)(i) to (vi) above;
  - viii. a partnership, joint venture, or Person in which the Utility or any Body Corporate referred to in clauses (b)(i) to (vi) above has a controlling interest or that is otherwise subject to the control of the Utility or such Body Corporate;
  - ix. any partnership, joint venture, or Person deemed by the ~~EUB~~ <sup>AUC</sup> to be an affiliate of the Utility for the purposes of this Code; and

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- x. 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 (ix) above.
- c) “Affiliated Party Transactions Summary” unless otherwise directed by the ~~EUB~~<sup>AUC</sup>, 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 a Utility or by a Utility 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.
- c.1) "AHL" means AltaLink Holdings, L.P.
- d) “AILP” means AltaLink Investments, L.P.
- e) “ALP” means AltaLink, L.P.
- f) “AML” means AltaLink Management Ltd., general partner of ALP.
- g) “AIML” means AltaLink Investment Management Ltd., general partner of AILP.
- h) “AML Affiliates” means any entity to which this Code applies pursuant to section 2.3 hereof.
- i) “Body Corporate” means a “body corporate” as defined in the ABCA.
- j) “Code” means this AML Inter-Affiliate Code of Conduct.
- k) “Compliance Officer” shall have the meaning ascribed thereto in section 7.3 hereof.
- l) “Compliance Plan” shall mean the document to be prepared and updated by a Utility pursuant to section 7.5 hereof.
- m) “Compliance Report” shall have the meaning ascribed thereto in section 7.6 hereof.
- n) “Confidential Information” means any information relating to a specific customer or potential customer of a Utility, which information the Utility has obtained or compiled in the process of providing current or prospective Utility Services and which is not otherwise available to the public.
- o) “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;

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- iii. the use by a Utility of an Affiliate's services, means the complete costs of providing the service, determined in a manner acceptable to the Utility, acting prudently;
- iv. the use by an Affiliate of a Utility's services, means the complete costs of providing the service, determined in a manner acceptable to the Utility, 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.
- p) ~~"EUB"~~ <sup>AUC</sup> means the Alberta ~~Energy and Utilities Board~~ <sup>Commission</sup> established pursuant to the *Alberta Energy and Utilities Board Act*, R.S.A. 2000, c. A-17; ~~Commission~~ <sup>2007, c. A-37.2</sup>
- 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 a Utility to a Non-Utility Affiliate, other than a Utility Service; or
  - ii. by a Non-Utility Affiliate to a Utility.
- s) "Information Services" means any computer systems, computer services, databases, electronic storage services or electronic communication media utilized by a Utility relating to Utility customers or Utility operations.
- t) "Major Transaction" means a transaction or series of related transactions within a fiscal year between a Utility 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 fiscal year of \$500,000 or more.
- u) "Non-Utility Affiliate" means an Affiliate that is not a Utility.
- v) "Occasional Services" shall have the meaning ascribed thereto in section 3.3.6 hereof.
- w) "Person" means a "person" as defined in the ABCA.
- x) "Services Agreement" means an agreement entered into between a Utility 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 the Utility and each Affiliate party to the agreement that the agreement complies with the Code.
- y) “Shared Service” means any service, other than a Utility Service or a For Profit Affiliate Service, provided on a Cost Recovery Basis by a Utility to an Affiliate or by an Affiliate to a Utility.
- z) “Subsidiary” shall have the meaning ascribed thereto in section 2(4) of the ABCA.
- aa) “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 Alberta *Electric Utilities Act*, S.A. 2003, c. E-5.1; or
  - ii. “public utility” under the Alberta *Public Utilities Board Act*, R.S.A. 2000, c. P-45.
- bb) “Utility Service” means a service, the terms and conditions of which are regulated by the ~~EUB~~ <sup>AUC</sup>, and includes services for which an individual rate, joint rate, toll, fare, charge or schedule of them, have been approved by the ~~EUB~~ <sup>AUC</sup>.

## 2.2 Interpretation

Headings are for convenience only and shall not affect the interpretation of this Code. 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 Code Applies

All Utilities directly or indirectly owned, controlled or operated by AML are obligated to comply with this Code and all Affiliates of these Utilities are obligated to comply with the Code to the extent they interact with the Utilities. An AltaLink Organization Chart is included as Schedule “A”.

## 2.4 Coming into Force

This Code comes into force on September 30, 2004, provided however that, to the extent existing agreements or arrangements are in place between parties to whom this Code applies that do not conform with this Code, such agreements or arrangements must be brought into compliance with this Code on or before November 30, 2004.

## 2.5 Amendments to this Code

This Code may be reviewed and amended from time to time by the ~~EUB~~ <sup>AUC</sup> on its own initiative, or pursuant to a request by any party to whom this Code applies or by any interested party.

## 2.6 Exemptions

A party to whom this Code applies may apply to the ~~EUB~~ <sup>AUC</sup> for an exemption with respect to compliance with any provision of this Code. Any such application will specify if the requested

exemption is in respect of a particular transaction, series of transactions, for a specified period of time, or is for a general exemption from a particular provision.

## **2.7 Authority of the ~~EUB~~ AUC**

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

## **3 GOVERNANCE AND SEPARATION OF UTILITY BUSINESSES**

### **3.1 Governance**

#### **3.1.1 Separate Operations**

The business and affairs of a Utility should be managed and conducted separately from the business and affairs of its Non-Utility Affiliates, except as required to fulfill corporate governance, policy, and strategic direction responsibilities of a corporate group of businesses as a whole.

#### **3.1.2 Common Directors**

A Utility may have common directors with its Affiliates.

#### **3.1.3 Separate Management**

Subject to section 3.1.4 hereof, a Utility must have a separate management team and separate officers from its Non-Utility Affiliates, but may share management team members or officers with other Affiliated Utilities.

#### **3.1.4 Separate Management Exception**

Officers of a Utility may also be officers of any Affiliate of which the Utility is a Subsidiary or of any Affiliate that is a Subsidiary of the Utility, as may be required to perform corporate governance, policy and strategic direction responsibilities of an affiliated group of businesses.

#### **3.1.5 Guiding Principle**

Notwithstanding sections 3.1.2, 3.1.3 and 3.1.4 hereof, an individual shall not act both as a director, officer or member of a management team of a Utility and as a director, officer or member of a management team of any other Affiliate (thereby acting in a dual capacity) unless the individual is able to carry out his/her responsibilities in a manner that preserves the form, and the spirit and intent, of this Code. In particular, an individual:

- a) shall not agree to act in a dual capacity if it could reasonably be considered to be detrimental to the interests of customers of the Utility, and

- b) if acting in a dual capacity, shall abstain from engaging in any activity that could reasonably be considered to be detrimental to the interests of customers of the Utility.

## **3.2 Degree of Separation**

### **3.2.1 Accounting Separation**

A Utility shall ensure accounting separation from all Affiliates and shall maintain separate financial records and books of accounts.

### **3.2.2 Physical Separation**

A Utility shall be located in a separate building or shall otherwise be physically separated from all Non-Utility Affiliates through the use of appropriate security-controlled access.

### **3.2.3 Separation of Information Services**

Where a Utility shares Information Services with an Affiliate, all Confidential Information must be protected from unauthorized access by the Affiliate. Access to a Utility's Information Services shall include appropriate computer data management and data access protocols as well as contractual provisions regarding the breach of any access protocols. Compliance with the access protocols shall be periodically confirmed by the Utility, through a review that complies with the provisions of the Canadian Institute of Chartered Accountants Handbook.

### **3.2.4 Financial Transactions with Affiliates**

A Utility shall ensure that any loan, investment, or other financial support provided to a Non-Utility Affiliate is provided on terms no more favourable than what that Non-Utility Affiliate would be able to obtain as a stand-alone entity from the capital markets.

## **3.3 Resource Sharing**

### **3.3.1 Sharing of Employees**

A Utility may share employees on a Cost Recovery Basis with an Affiliate provided that the employees to be shared:

- a) do not have access to Confidential Information;
- b) do not routinely participate in making decisions with respect to the provision of Utility Services or how Utility Services are delivered;
- c) do not routinely deal with or have direct contact with customers of the Utility; and
- d) are not, subject to the provisions of section 3.1.4 hereof, routinely involved in operating, planning or managing the business of the Utility.

### **3.3.2 Transferring of Employees**

A Utility may transfer employees to or from an Affiliate, provided any employee transferred by the Utility who had access to Confidential Information shall execute a confidentiality agreement with respect to such Confidential Information prior to the transfer.

### **3.3.3 Sharing of Assets**

The plant, assets and equipment of a Utility shall be separated in ownership and separated physically from the plant, assets and equipment of other Non-Utility Affiliates. Utility Affiliates may share ownership and may physically share office space, equipment, rights-of-way and other assets on a Cost Recovery Basis.

### **3.3.4 Shared Services Permitted**

Where a Utility determines it is prudent in operating its Utility business to do so, it may obtain Shared Services from, or provide Shared Services to, an Affiliate. Utilities shall periodically review the prudence of continuing Shared Services arrangements with a view to making any necessary adjustments to ensure that each of the Utilities and its Affiliates bears its proportionate share of costs.

### **3.3.5 Services Agreement**

A Utility shall enter into a Services Agreement with respect to any Shared Services it provides to, or acquires from, an Affiliate.

### **3.3.6 Occasional Services Permitted**

Where a Utility has otherwise acted prudently, a Utility may receive, or provide, one-off, infrequent or occasional services (“Occasional Services”) to, or from, an Affiliate on a Cost Recovery Basis, documented by way of work order, purchase order or similar instrument. In the event that occasional services become material as to value, frequency or use of resources, the Utility shall enter into a Services Agreement with the Affiliate for Shared Services.

### **3.3.7 Emergency Services Permitted**

In the event of an emergency, a Utility may share services and resources with an Affiliate without a Services Agreement on a Cost Recovery Basis.

## **4 TRANSFER PRICING**

### **4.1 For Profit Affiliate Services**

Where a Utility determines it is prudent in operating its Utility business to do so, it may obtain For Profit Affiliate Services from an Affiliate or provide For Profit Affiliate Services to an Affiliate.

If a Utility intends to outsource to an Affiliate a service it presently provides for itself, the Utility shall, in addition to any other analysis it may require to demonstrate the prudence of a For Profit Affiliate Services arrangement, undertake a net present value analysis appropriate to the life cycle or operating cycle of the services involved.

Each Utility shall periodically review the prudence of continuing For Profit Affiliate Services arrangements.

## **4.2 Pricing For Profit Affiliate Services**

### **4.2.1 Utility Acquires For Profit Affiliate Service**

When a Utility acquires For Profit Affiliate Services it shall pay no more than the Fair Market Value of such services. The onus is on the Utility to demonstrate that the For Profit Affiliate Services have been acquired at a price that is no more than the Fair Market Value of such services.

### **4.2.2 Utility Provides For Profit Affiliate Service**

When a Utility provides For Profit Affiliate Services, it shall not charge less than the Fair Market Value of such services. The onus is on the Utility to demonstrate that the For Profit Affiliate Services have been charged at a price that is not less than the Fair Market Value of such services.

## **4.3 Services Agreement**

A Utility shall enter into a Services Agreement with respect to any For Profit Affiliate Services it acquires or provides.

## **4.4 Asset Transfers**

Subject to section 4.6 hereof, assets transferred, mortgaged, leased or otherwise disposed of by a Utility to an Affiliate or by an Affiliate to a Utility shall be at Fair Market Value.

## **4.5 Determination of Fair Market Value**

In demonstrating that Fair Market Value was paid or received pursuant to a For Profit Affiliate Service arrangement or a transaction contemplated by sections 4.1, 4.2 and 4.4 hereof, the Utility, subject to any prior or contrary direction by the ~~EUB~~<sup>AUC</sup>, may utilize any method to determine Fair Market Value that it believes appropriate in the circumstances. These methods may include, without limitation: competitive tendering, competitive quotes, bench-marking studies, catalogue pricing, replacement cost comparisons or recent market transactions. The Utility shall bear the onus of demonstrating that the methodology or methodologies utilized in determining the Fair Market Value of the subject goods or services was appropriate in the circumstances.

## **4.6 Asset Transfers Between Utilities for Operational Efficiencies**

Where operational efficiencies between Utilities that are Affiliates can be obtained through the use of common facilities (such as shared warehousing or field offices), combined purchasing power or through 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) may be transferred in the ordinary course of business between Utilities on a Cost Recovery Basis. All such transactions shall be properly accounted for on the books of the Utilities involved.

## **5 EQUAL TREATMENT WITH RESPECT TO UTILITY SERVICES**

### **5.1 Impartial Application of Tariff**

A Utility shall apply and enforce all tariff provisions relating to Utility Services impartially, in the same timeframe, and without preference in relation to its Affiliates and all other customers or prospective customers.

### **5.2 Equal Access**

A Utility 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 or prospective customers of the Utility.

### **5.3 No Undue Influence**

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

### **5.4 Affiliate Activities**

A Utility 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. If the Utility becomes aware of any such inappropriate activity by an Affiliate, it shall:

- a) immediately take reasonable steps to notify affected customers of the violation;
- b) take necessary steps to ensure the Affiliate is aware of the concern; and
- c) inform the ~~EUB~~<sup>AUC</sup> in writing of such activity and the remedial measures that were undertaken by the Utility.

### **5.5 Name and Logo**

A Utility shall take reasonable steps to ensure that an Affiliate does not use the Utility's name, logo or other distinguishing characteristics in a manner which would mislead consumers as to the distinction or a lack of distinction between the Utility and the Affiliate.

### **5.6 Access to Shared and Occasional Services**

A Utility is not required to provide non-Affiliated parties with equal access to Shared Services or Occasional Services.

## **6 CONFIDENTIALITY OF INFORMATION**

### **6.1 Utility Information**

Subject to section 6.2 hereof, a Utility shall not provide Non-Utility Affiliates with information relating to the planning, operations, finances or strategy of the Utility or of an Affiliated Utility before such information is publicly available.

### **6.2 Management Exception**

Officers of a Utility who are also officers of an Affiliate as permitted pursuant to section 3.1.4 hereof may disclose, subject to the provisions of section 3.1.5 hereof, 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.

### **6.3 No Release of Confidential Information**

A Utility 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 to an Affiliate in connection with a disclosure required:

- a) for the purpose of a court proceeding or a proceeding before a quasi-judicial body to which the customer is a party;
- b) for the purpose of complying with a subpoena, warrant, or order issued or made by a court, person or body having jurisdiction to compel the production of information or with a rule of court that relates to the production of information;
- c) to a municipal or provincial police service for the purpose of investigating an offence involving the customer, if the disclosure is not contrary to the express request of the customer;
- d) by law or by an order of a government or agency having jurisdiction over the Utility; or
- e) for the purpose of providing Shared Services or For Profit Affiliate Services to the Affiliate or for the purpose of receiving Shared Services or For Profit Affiliate Services from the Affiliate; provided appropriate measures are first put in place by the Affiliate to protect the Confidential Information and the Confidential Information is used by the Affiliate only for the purpose intended by the Utility.

### **6.4 Aggregated Confidential Information**

A Utility 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 the Utility shall not disclose such aggregated customer information to an Affiliate prior to making such information publicly available.

## **7 COMPLIANCE MEASURES**

### **7.1 Responsibility for Compliance**

Each Utility shall be responsible for ensuring compliance with this Code.

### **7.2 Communication of Code**

Each Utility shall:

- a) communicate the contents of the Code, and any modifications to it from time to time, to each of its directors, officers, employees, consultants, contractors, agents and Affiliates; and
- b) make the Code available on the Utility's web site.

### **7.3 Compliance Officer**

Each Utility shall appoint a compliance officer (the "Compliance Officer"). The same individual may be the Compliance Officer for more than one Utility. The Utility shall ensure that the Compliance Officer is an officer of the Utility and has adequate resources to fulfill his or her responsibilities.

### **7.4 Responsibilities of the Compliance Officer**

The responsibilities of the Compliance Officer shall include:

- a) providing advice and information to the Utility for the purpose of ensuring compliance with this Code;
- b) monitoring and documenting compliance with the Code by the Utility, its directors, officers, employees, consultants, contractors and agents;
- c) monitoring and documenting compliance with the Code by Affiliates of the Utility with respect to the interactions of the Affiliates with the Utility;
- d) providing for the preparation and updating, of a Compliance Plan for the Utility pursuant to Section 7.5 hereof;
- e) filing the Compliance Plan and any modifications or replacements with the ~~EUB~~ <sup>AUC</sup>, posting the Compliance Plan on the Utility's website, and advising interested parties promptly when the Compliance Plan, or any modifications or replacements, have been posted on the website;
- f) performing an annual review of compliance with the Compliance Plan and preparing an annual compliance report ("Compliance Report") containing the information required in section 7.6 hereof. The Compliance Officer shall file the Compliance Report with the ~~EUB~~ <sup>AUC</sup> within 120 days of the fiscal year end of the Utility with respect to the immediately preceding fiscal year, post the Compliance Report on the Utility's website, and advise interested parties promptly when the Compliance Report has been posted on the website;

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- g) receiving and investigating internal and external disputes, complaints and inquiries with respect to the application of, and alleged non-compliance, with the Code in accordance with Section 8 hereof;
- h) recommending to the Utility measures required to address events of non-compliance with the Code; and
- i) maintaining adequate records with respect to all aspects of the Compliance Officer's responsibility.

## **7.5 The Compliance Plan**

Each Utility shall prepare a Compliance Plan. The Compliance Plan shall detail the measures, policies, procedures and monitoring mechanisms that the Utility will employ to ensure its full compliance with the provisions of the Code by the Utility its directors, officers, employees, consultants, contractors and agents, and by Affiliates of the Utility with respect to the interactions of the Affiliates with the Utility. The Utility shall review and update the Compliance Plan at least annually.

## **7.6 The Compliance Report**

The Compliance Report shall include the following information prepared in respect to the period of time covered by the Compliance Report:

- a) a copy of the Compliance Plan and any amendments thereto;
- b) a corporate organization chart for the Utility and its Affiliates indicating relationships and ownership percentages;
- c) a list of all Affiliates with whom the Utility transacted business, including business addresses, a list of the Affiliates' officers and directors, and a description of the Affiliates' business activities;
- d) a list of all Services Agreements in effect at any time during such period;
- e) an overall assessment of compliance with the Code by the Utility, including compliance by the directors, officers, employees, consultants, contractors and agents of the Utility and by Affiliates of the Utility with respect to the interactions of the Affiliates with the Utility;
- f) an assessment of the effectiveness of the Compliance Plan and any recommendations for modifications thereto;
- g) in the event of any material non-compliance with the Code, a comprehensive description thereof and an explanation of all steps taken to correct such non-compliance;
- h) subject to the confidentiality provisions of section 8.1 hereof, a summary of disputes, complaints and inquiry activity during the year;
- i) a list and detailed description of all Major Transactions between the Utility and its Affiliates;

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- j) an Affiliated Party Transactions Summary;
- k) a summary description together with an estimated aggregate value for each Occasional Service provided by the Utility to an Affiliate and by Affiliates to the Utility;
- l) a summary list of any exemptions granted to this Code or exceptions utilized, including the exception for emergency services;
- m) a list of all employee transfers, temporary assignments and secondments between a Utility and its Affiliates, detailing specifics as to purpose, dates and duration of such employee movements; and
- n) two officer's certificates, each in the form attached as Schedule "B" attached to this Code, attesting to completeness of the Compliance Report and compliance with the Code, one certificate signed by the Compliance Officer and a second certificate signed by the highest ranking operating officer of the Utility.

**7.7 Documents to be Provided to the ~~EUB~~<sup>AUC</sup> upon Request**

If required by the ~~EUB~~<sup>AUC</sup>, a Utility shall provide the ~~EUB~~<sup>AUC</sup> with a copy of any document referred to in a Compliance Report or other supporting records and material.

**7.8 Compliance Records and Audit**

The records required to be maintained by the Compliance Officer pursuant to section 7.4(i) hereof shall be retained for a period of at least six years. Compliance records shall be maintained in a manner sufficient to support a third party audit of the state of compliance with the Code by the Utility, its directors, officers, employees, consultants, contractors and agents, and by Affiliates of the Utility with respect to the interactions of the Affiliates with the Utility. Subject to the confidentiality provisions of section 8.1 hereof, all such records shall be made available for inspection or audit as may be required by the ~~EUB~~<sup>AUC</sup> from time to time.

**8 DISPUTES, COMPLAINTS AND INQUIRIES**

**8.1 Filing with the Compliance Officer**

Disputes, complaints or inquiries from within the Utility or from external parties respecting the application of, or alleged non-compliance with, the Code shall be submitted in writing to the Compliance Officer and may be made confidentially. The identity of the party making the submission to the Compliance Officer shall be kept confidential by the Compliance Officer unless the party otherwise agrees.

**8.2 Processing by Utility**

**8.2.1 Compliance Officer Acknowledgment**

The Compliance Officer shall acknowledge all disputes, complaints or inquiries in writing within five working days of receipt.

## 8.2.2 Disposition

The Compliance Officer 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 the Utility to the issues identified in the submission. The Utility'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.

## 8.3 Referral to the ~~EUB~~ AUC

In the event:

- a) a Utility fails to abide by the process identified in section 8.2 hereof,
- b) the Utility or a party is unsatisfied with the resolution of a dispute, complaint or inquiry following the conclusion of the section 8.2 process, or
- c) of an urgent and significant matter, where there is a reasonable expectation that a party's position may be prejudiced by allowing the process contemplated by section 8.2 to operate,

the Utility (subject to the confidentiality provisions of section 8.1 hereof) or a party with a dispute, complaint or inquiry may refer the matter to the ~~EUB~~<sup>AUC</sup> for consideration. A referral to the ~~EUB~~<sup>AUC</sup> must be in writing and shall describe the dispute, complaint, or inquiry and must include the response, if any, of the Utility to the submission.

## 9 NON-COMPLIANCE WITH THE CODE

### 9.1 Non-Compliance

Any non-compliance with the Code by any director, officer, employee, consultant, contractor or agent of a Utility or by an Affiliate (or any director, officer, employee, consultant, contractor or agent of an Affiliate) with respect to the interactions of the Affiliate with the Utility will be considered to be non-compliance by the Utility.

### 9.2 Consequences for Non-Compliance with Code

Non-compliance with this Code could be considered as prima facie evidence in a regulatory proceeding of inappropriate conduct by a Utility or of an inappropriate transaction, expense or activity by the Utility. Non-compliance with the Code by a Utility shall subject the Utility to the full range of powers and authorities of the ~~EUB~~<sup>AUC</sup>. Non-compliance with the Code by a director, officer, employee, consultant, contractor or agent of a Utility may subject such individual to disciplinary action by the Utility.

**ALTALINK MANAGEMENT LTD.**  
**INTER-AFFILIATE CODE OF CONDUCT**  
**COMPLIANCE PLAN**  
**December 1, 2014**

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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 AltaLink will employ to ensure its full compliance with the provisions of the Code by AltaLink, its directors, officers, employees, consultants, contractors and agents, and by Affiliates of AltaLink with respect to the interactions of the Affiliates with AltaLink.

This Compliance Plan describes certain obligations and responsibilities of specified AltaLink management personnel. Notwithstanding this, and without otherwise reducing or eliminating the obligation and responsibility of the specified AltaLink 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 AltaLink management personnel to other AltaLink personnel.

Questions or comments concerning the Compliance Plan should be directed to the AltaLink Compliance Officer:

Leigh Clarke  
Phone: (403) 267-3400  
Fax: (403) 267-3484  
Email: leigh.clarke@altalink.ca

or by contacting the Alberta Utilities Commission at: AUC Audit and Compliance Group, Phone: (403) 297-3590 Website: www.auc.ab.ca

Copies of the Code and this Compliance Plan are available at www.altalink.ca. 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 AltaLink:

- (i) an “affiliate” as defined in the ABCA;
- (ii) all general and limited partners of ALP;
- (iii) all general and limited partners of AILP;
- (iv) all general and limited partners of AHLPP;
- (v) all shareholders of AML;

- (vi) all shareholders of AIML;
  - (vii) a unit or division within AltaLink or any **Body Corporate** referred to in clause (b) (i) to (vi) above;
  - (viii) a partnership, joint venture, or **Person** in which AltaLink or any **Body Corporate** referred to in clause (b) (i) to (vi) above has a controlling interest or that is otherwise subject to the control of AltaLink or such **Body Corporate**;
  - (ix) any partnership, joint venture, or **Person** deemed by the **AUC** to be an Affiliate of AltaLink for the purposes of the **Code**; and
  - (x) 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 (ix) above.
- (c) **“Affiliated Party Transactions Summary”** unless otherwise directed by the **AUC**, 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 AltaLink or by AltaLink 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.
- (c.1) **“AHLP”** means AltaLink Holdings, L.P.
- (d) **“AILP”** means AltaLink Investments, L.P.
- (e) **“ALP”** means AltaLink, L.P.
- (f) **“AML”** means AltaLink Management Ltd., general partner of ALP.
- (g) **“AIML”** means AltaLink Investment Management Ltd., general partner of AILP and AHLP.
- (h) **“AML Affiliates”** means any entity to which the **Code** applies pursuant to **Section 2.3** of the **Code**.
- (h.1) **“AUC”** means the Alberta Utilities Commission.
- (i) **“Body Corporate”** means a “body corporate” as defined in the ABCA.
- (j) **“Code”** means the AML Inter-Affiliate Code of Conduct.
- (k) **“Compliance Officer”** shall have the meaning ascribed thereto in Section 7.3 of the **Code**.
- (l) **“Compliance Plan”** shall mean the document to be prepared and updated by AltaLink pursuant to **Section 7.5** of the **Code**.
- (l.1) **“Compliance Plan Committee”** shall mean a committee which shall meet on an as-needed basis and at least two times annually, comprised of at least the following:

- Chief Financial Officer, AltaLink
- Chief Operating Officer, AltaLink
- Director, Internal Audit, AltaLink
- [Compliance Officer](#), AltaLink.

(m) **“Compliance Report”** shall have the meaning ascribed thereto in [Section 7.6](#) of the Code. If there is a matter that ought to be brought to the attention of the Board, then AltaLink will provide an exception report or a more detailed report on a quarterly basis.

(m.1) **“Compliance Training Material”** means the material developed by the [Compliance Officer](#) prior to the end of each calendar year which will be used to ensure that all employees of AltaLink are familiar with the provisions of the Code, and this Plan. At a minimum, the material will include instructions on:

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

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

(n.1) **“Corporate Governance Group”** means those Directors, Officers and Employees who have the responsibility for corporate governance, policy and strategic direction for both Utility and Non-Utility businesses within the AltaLink partnership structure.

(o) **“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 AltaLink of an [Affiliate’s](#) services, means the complete costs of providing the service, determined in a manner acceptable to AltaLink, acting prudently;
- (iv) the use by an [Affiliate](#) of AltaLink’s services, means the complete costs of providing the service, determined in a manner acceptable to AltaLink, 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.
- (p) **[Retained for Numbering Consistency]**.
- (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 AltaLink to a [Non-Utility Affiliate](#), other than a [Utility Service](#); or
  - (ii) by a [Non-Utility Affiliate](#) to AltaLink.
- (s) **“Information Services”** means any computer systems, computer services, databases, electronic storage services or electronic communication media utilized by AltaLink relating to AltaLink customers or AltaLink operations.
- (t) **“Major Transaction”** means a transaction or series of related transactions within a calendar year between AltaLink 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.
- (t.1) **“Materially Revised”** for the purposes of mechanisms 3 and 4 of section 4.1, does not include any changes made as a result of an order or direction of the AUC; minor administrative changes, such as change of name, title or location; or changes to the pricing provisions of the relevant Services Agreement if such changes are supported by adequate evidence to conclude that the For Profit Affiliate Services are being acquired at a price which is no more than Fair Market Value, or being provided at a price which is no less than Fair Market Value.
- (u) **“Non-Utility Affiliate”** means an [Affiliate](#) that is not a [Utility](#).
- (v) **“Occasional Services”** shall have the meaning ascribed thereto in [Section 3.3.6](#) of the Code.
- (v.1) **“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).
- (w) **“Person”** means a “person” as defined in the ABCA.
- (x) **“Services Agreement”** means an agreement entered into between AltaLink 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 AltaLink and each [Affiliate](#) party to the agreement that the agreement complies with the [Code](#).
- (y) **“Shared Service”** means any service, other than a [Utility Service](#) or a [For Profit Affiliate Services](#), provided on a [Cost Recovery Basis](#) by AltaLink to an [Affiliate](#) or by an [Affiliate](#) to AltaLink.
- (z) **“Subsidiary”** shall have the meaning ascribed thereto in Section 2 (4) of the ABCA.
- (aa) **“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; or
  - (ii) “public utility” under the *Public Utilities Board Act*, R.S.A. 2000, c. P-45.
- (bb) **“Utility Service”** means a service, the terms and conditions of which are regulated by the [AUC](#), and includes services for which an individual rate, joint rate, toll, fare, charge or schedule of them, have been approved by the [AUC](#).

## 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 AltaLink are obligated to comply with this Plan and all directors, officers, employees, consultants, contractors and agents of [Affiliates](#) of AltaLink are obligated to comply with this Plan to the extent they interact with AltaLink.

## 2.4 Coming into Force

This Plan comes into force on approval by the [AUC](#).

## 2.5 Amendments to this Plan

This Plan may be reviewed and amended from time to time by the [AUC](#) on its own initiative, or pursuant to a request by any party to whom this Plan applies or by an interested party.

## 2.6 Retained for Numbering Consistency

## 2.7 Authority of the AUC

Upon approval of this Plan by the AUC, such approval does not detract from, reduce or modify in any way, the powers of the AUC to deny, vary, approve with conditions, or overturn, the terms of any transaction or arrangement between AltaLink 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 AUC approvals or filings where required by statute or by AUC decisions, orders or directions.

# 3 GOVERNANCE AND SEPARATION OF UTILITY BUSINESSES

## 3.1 Governance

### 3.1.1 Separate Operations

**Policy:** AltaLink business and affairs 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 a corporate group of businesses as a whole.

#### Compliance Measures

1. The AltaLink Compliance Officer will maintain an up-to-date list of the Corporate Governance Group, if any such group exists.
2. If applicable, the Compliance Officer will, on an annual basis, provide a formal education session to the Corporate Governance Group. Within 30 days of the end of the previous calendar year, the Compliance Officer will seek and obtain written acknowledgement from all individuals identified as the Corporate Governance Group that they have received the Compliance Training Material, that they are familiar with the requirements of the Code and the Plan, and that their role in managing the business and affairs of AltaLink have been limited to providing corporate governance, policy, and strategic direction. This 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 Compliance Plan Committee will review the above acknowledgement within 60 days of the end of the previous calendar year. The minutes of the meeting at which the acknowledgement is reviewed will reflect the results of the review.
4. If any instances of non-compliance with this policy are identified 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:** AltaLink will have a separate management team and separate officers from its **Non-Utility Affiliates**, but may share management team members or officers with other **Affiliated Utilities**.

#### Compliance Measures

1. Prior to either amending the make-up of the AltaLink management team, or changing the AltaLink officers with any person who may be reasonably perceived as having participated in the management of any Affiliate, the President of AltaLink will provide a notice in writing to the AltaLink **Compliance Officer**. If the **Compliance Officer** does not identify a concern with adherence to this policy within five working days of receiving the notice, the President may proceed with the change. If the **Compliance Officer** does identify a potential concern with adherence to this policy, he will advise the President within five working days and the proposed appointment shall not proceed.
2. The AltaLink **Compliance Officer** will maintain an up-to-date list of AltaLink management team members and officers.
3. Within 60 days of the end of the previous calendar year, the **Compliance Plan Committee** will meet and the list of AltaLink management team members and officers will be compared to the current management team members and officers of AltaLink's **Non-Utility Affiliates**, other than Affiliates which are not actively carrying on business except for their investment in AltaLink, and the minutes of the meeting will reflect the outcome of this comparison.
4. If any instances of non-compliance with this policy are identified by the **Compliance Plan Committee**, they 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 AltaLink and as a director, officer or member of a management team of an **Affiliate** of AltaLink 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 **Compliance Officer** will maintain an up-to-date listing of directors, officers, or members of the management team of AltaLink who act as directors, officers, or members of the management team of an **Affiliate** of AltaLink.
2. All such directors, officers, or members of the management team of AltaLink who also act as directors, officers, or members of the management team of an **Affiliate** of AltaLink will, on commencement of such dual responsibilities, provide a signed certificate to the **Compliance Officer** 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**.
3. Within 30 days of the end of each calendar year, all such directors, officers, or members of the management team of AltaLink who also act as directors, officers, or members of the management team of an **Affiliate** of AltaLink will provide a signed certificate to the **Compliance Officer** that stipulates that he/she carried his/her responsibilities in a manner which preserved the form, and the spirit and intent of the **Code**.
4. The **Compliance Officer** will maintain a record of the above 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 Degree of Separation**

### **3.2.1 Accounting Separation**

**Policy: AltaLink shall have separate financial records and books of accounts from all Affiliates.**

#### Compliance Measures

1. The Vice President, Controller will ensure the accounts and records of AltaLink are kept separate from the accounts and records of all **Affiliates**.
2. The Vice President, Controller will provide 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, to the Compliance Officer within 30 days of the end of the previous calendar year.
3. The **Compliance Officer** will maintain a record of the above 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: AltaLink 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 AltaLink is located in the same building as a **Non-Utility Affiliate**, AltaLink will institute appropriate security controlled access, through the use of receptionists, keyed locks, or card-key access.
2. The AltaLink Facilities Manager will provide a signed certificate in the form attached as Schedule “B” to this Plan attesting to the physical separation of AltaLink from all **Non-Utility Affiliates** within 30 days of the end of each calendar year.
3. The **Compliance Officer** will maintain a record of the above 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 AltaLink 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 AltaLink may only be provided in writing by the Vice President, Information Technology. A copy of each approval so issued will be provided to the **Compliance Officer** forthwith who will maintain a record of the above approvals.
2. The Vice President, Information Technology 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 AltaLink.
3. The Vice President, Information Technology will provide a signed certificate in the form attached as Schedule “B” to this plan attesting to the protection from unauthorized access by **Affiliates** to shared Information Services, to the **Compliance Officer** within 30 days of the end of the previous calendar year.
4. The **Compliance Officer** will maintain a record of the above 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).

5. The **Compliance Officer** will review the access control lists for all Information Services shared with an Affiliate of AltaLink and will provide 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 AltaLink and that all access by Affiliates of AltaLink to Information Services is in accordance with section 3.2.3 of the Code.

6. Any failure to provide a certificate as described in paragraph 5 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).

### 3.2.4 Financial Transactions with **Affiliates**

**Policy: Any loan, investment, or other financial support provided by AltaLink 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 Vice President, Corporate Finance of AltaLink 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 Vice President, Corporate Finance 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 certificate will be provided to the **Compliance Officer** within 30 days of the end of the previous calendar year.

3. The **Compliance Officer** will maintain a record of the above 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).

## 3.3 Resource Sharing

### 3.3.1 Sharing of Employees

**Policy: AltaLink will 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. Before sharing employees with an **Affiliate**, the written permission of the appropriate Vice-President of AltaLink must be provided to the Senior Vice President, Human Resources, unless such sharing is already documented as a **Shared Services** under a **Services Agreement**.

2. The Senior Vice President, Human Resources will retain the written permission on file, and provide quarterly reports to the [Compliance Officer](#) on all instances of sharing AltaLink employees with [Affiliates](#) which have occurred, or continued during the reporting period, other than employee sharing documented as a [Shared Service](#) under a [Service Agreement](#). The report will identify if the required Vice President approval was in place before the sharing took place. The [Compliance Officer](#) will review the quarterly report on employee sharing and will immediately notify the [Compliance Plan Committee](#) of any instances of employees being shared with [Affiliates](#) without the signed permission of the appropriate Vice President or any instances of employees being shared in advance of the VP approval being granted.

3. Within 30 days following the receipt of the [Compliance Officer's](#) notice described in mechanism 2 above, or in the event that no such notice is provided, within 60 days of the end of the previous calendar year, the [Compliance Plan Committee](#) will review the quarterly reports on sharing AltaLink employees. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the [Compliance Plan Committee](#) for changes to the manner in which employees are shared with [Affiliates](#).

4. Any recommendations for changes to the manner in which employees are shared with [Affiliates](#) will be approved by the [Compliance Plan Committee](#). If any instances of non-compliance with this policy are identified they 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 AltaLink to an [Affiliate](#), the appropriate Vice President 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 Vice President will obtain the necessary confidentiality agreement prior to the transfer of the employee.

#### Compliance Measures

1. The appropriate AltaLink Vice President will review all transfers of employees from his/her responsibility to an [Affiliate](#), and identify if the employee had access to [Confidential Information](#) while employed with AltaLink. If the employee did have access to [Confidential Information](#), the Vice President will obtain the necessary signed confidentiality agreement prior to the transfer of the employee, and will provide the signed agreement to the Senior Vice President, Human Resources.

2. The Senior Vice President, Human Resources will retain the confidentiality agreement on file and provide a quarterly report to the [Compliance Officer](#) on all instances of AltaLink 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 [Compliance Officer](#) will review the quarterly report on employee transfers and will immediately notify the [Compliance Plan](#)

[Committee](#) of any instances of employees being transferred to [Affiliates](#) without the signed confidentiality agreement in place before the transfer took place.

3. Within 30 days following the receipt of the [Compliance Officer's](#) notice described in mechanism 2 above, or in the event that no such notice is provided, within 60 days of the end of the previous calendar year, the [Compliance Plan Committee](#) will review the report on transferring AltaLink employees. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the [Compliance Plan Committee](#) for changes to the manner in which employees are transferred to [Affiliates](#).

4. Any recommendations for changes to the manner in which employees transfer to [Affiliates](#) will be approved by the [Compliance Plan Committee](#). If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the Code (see Section 8).

### 3.3.3 Sharing of Assets

**Policy: Plant, assets and equipment of AltaLink shall be separated in ownership and separated physically from the plant, assets and equipment of [Non-Utility Affiliates](#). Where AltaLink shares plant, assets, equipment, office space, rights of way and other assets with a [Utility Affiliate](#), such sharing will be done on a [Cost Recovery Basis](#).**

#### Compliance Measures

1. The Chief Operating Officer of AltaLink will maintain an inventory of all plant, assets and equipment shared with [Affiliates](#).

2. The Chief Operating Officer will ensure that no plant, assets and equipment are shared with [Non-Utility Affiliates](#).

3. Within the first 30 days of the end of each calendar year, the Chief Operating Officer will provide an annual report to the [Compliance Officer](#) of all plant, assets and equipment shared with [Utility Affiliates](#), identifying the methods used to ensure that such sharing was done on a [Cost Recovery Basis](#), the percentage of costs borne by each party and that these percentages were appropriate.

4. The [Compliance Plan Committee](#) will review the above report 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 [Compliance Plan Committee](#) for changes to the methods used to ensure that plant, assets and equipment are shared with [Utility Affiliates](#) on a [Cost Recovery Basis](#).

5. Any recommendations for changes to the methods used to ensure that plant, assets and equipment are shared with [Utility Affiliates](#) on a [Cost Recovery Basis](#) will be approved by the [Compliance Plan Committee](#). If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the Code (see Section 8).

### 3.3.4 Shared Services Permitted

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

#### Compliance Measures

1. The Compliance Officer will maintain an inventory of all **Shared Services** obtained from, or provided to an **Affiliate**.
2. All new or revised **Shared Services** will be documented by a **Services Agreement**.
3. Prior to receiving a **Shared Service**, the **Services Agreement**, and a business case identifying that it is prudent to obtain the **Shared Services** will be prepared by the appropriate AltaLink employee and presented to the **Compliance Plan Committee** for review and approval.
4. Prior to providing a **Shared Service**, the **Services Agreement** will be prepared by the appropriate AltaLink employee and presented to the **Compliance Plan Committee** for review and approval.
5. The **Shared Service** will be reviewed by the **Compliance Plan Committee** within 60 days of the end of the previous calendar year. 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:** AltaLink 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 Officer** 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 Officer** will provide to the **Compliance Plan Committee** the necessary report of **Occasional**

[Services](#) provided by AltaLink 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, required by Section (k) of the [Compliance Report](#).

3. The [Compliance Plan Committee](#) will review the above report 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 [Compliance Plan Committee](#) for changes to the provision, receipt and documentation of [Occasional Services](#).

4. Any recommendations for changes to the provision, receipt and documentation of [Occasional Services](#), will be approved by the [Compliance Plan Committee](#). If any instances of non-compliance with this policy are identified they 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, AltaLink may receive, or provide, services and resources to, or from, an [Affiliate](#) on a [Cost Recovery Basis](#).

#### Compliance Measures

1. The [Compliance Officer](#) 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 Officer](#) will provide the necessary report of Emergency Services provided by AltaLink 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, required by Section (l) of the [Compliance Report](#), to the [Compliance Plan Committee](#).

3. The [Compliance Plan Committee](#) will review the above report 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 [Compliance Plan Committee](#) for changes to the provision, receipt and documentation of Emergency Services.

4. Any recommendations for changes to the provision, receipt and documentation of Emergency Services, will be approved by the [Compliance Plan Committee](#). If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the Code (see Section 8).

## 4 TRANSFER PRICING

### 4.1 For Profit Affiliate Services

**Policy:** AltaLink 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 **Compliance Officer** will maintain an inventory of all **For Profit Affiliate Services** obtained from, or provided to an **Affiliate**.
2. All existing, new or revised **For Profit Affiliate Services** will be documented by a **Services Agreement**, duly executed by AltaLink employees with the appropriate signing authority.
3. Prior to implementing a new or materially revised **For Profit Affiliate Service** to receive services from an **Affiliate**, the **Services Agreement**, and a business case identifying that it is prudent to obtain the **For Profit Affiliate Service** will be reviewed and approved by the **Compliance Plan Committee**. The business case 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 materially revised **For Profit Affiliate Service** to provide services to an **Affiliate**, the **Services Agreement**, and a description of the process used to determine that the **For Profit Affiliate Service** is to be provided at a price which is no less than **Fair Market Value** will be reviewed and approved by the **Compliance Plan Committee**. **Fair Market Value** will be determined in a manner consistent with Section 4.5 of the Code.
5. The **For Profit Affiliate Service** will be reviewed by the **Compliance Plan Committee** within 60 days of the end of the previous calendar year. 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**.

### 4.2 Pricing For Profit Affiliate Services

#### 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 AltaLink to an **Affiliate** or by an **Affiliate** to AltaLink will be at **Fair Market Value**, subject to the provisions of Section 4.6 of the Code.

#### Compliance Measures

1. The Chief Operating Officer of AltaLink will approve any asset transfers, mortgages, leases, or other dispositions by AltaLink to an **Affiliate**, or by an **Affiliate** to AltaLink, and will ensure that such asset transfers are at **Fair Market Value**, subject to the provisions of Section 4.6 of the Code.
2. Within 30 days of the end of the previous calendar year, the Chief Operating Officer will provide a report to the **Compliance Officer** detailing any asset transfers between AltaLink 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.
3. Within 60 days of the end of the previous calendar year, the **Compliance Plan Committee** will review the above report. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the **Compliance Plan 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 for changes to the methods used to ensure that asset transfers between AltaLink and **Affiliates** are priced at **Fair Market Value**, subject to the provisions of Section 4.6 of the Code, will be approved by the **Compliance Plan Committee**. If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the Code (see Section 8).

#### **4.5 Retained for Numbering Consistency**

#### **4.6 Asset Transfers Between Utilities for **Operational Efficiencies****

**Policy:** AltaLink may obtain **Operational Efficiencies** through the use of common facilities, combined purchasing power or other cost saving procedures by transferring individual assets or groups of assets used in **Utility** operations between AltaLink and **Utility Affiliates** on a **Cost Recovery Basis**.

#### Compliance Measures

1. The appropriate Vice Presidents will approve asset transfers for operational efficiencies. The Chief Operating Officer will ensure that the transfer of individual assets or groups of assets used in Utility operations between AltaLink and **Utility Affiliates**, will be done on a **Cost Recovery Basis**.
2. Within 30 days of the end of the previous calendar year, the Chief Operating Officer will provide a report to the **Compliance Officer** detailing any arrangements for obtaining Operational Efficiencies between AltaLink and **Utility Affiliates**. The report

will describe the manner in which the asset transfers were determined to be on a [Cost Recovery Basis](#).

3. Within 60 days of the end of the previous calendar year, the [Compliance Plan Committee](#) will review the above report. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the [Compliance Plan Committee](#) for changes to the methods used to ensure that asset transfers are on a [Cost Recovery Basis](#).

4. Any recommendations for changes to the methods used to ensure that asset transfers between AltaLink and [Affiliates](#) are valued on a [Cost Recovery Basis](#) will be approved by the [Compliance Plan Committee](#). If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the Code (see Section 8).

## 5 EQUAL TREATMENT WITH RESPECT TO [UTILITY SERVICES](#)

### 5.1 Impartial Application of Tariff

**Policy:** AltaLink 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:** AltaLink 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 AltaLink.

See the Compliance Measures in Section 7.2 of this Plan.

### 5.3 No Undue Influence

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

See the Compliance Measures in Section 7.2 of this Plan.

#### 5.4 **Affiliate** Activities

**Policy:** AltaLink 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:** AltaLink shall take reasonable steps to ensure that an Affiliate does not use AltaLink's name, logo or other distinguishing characteristics in a manner which would mislead consumers as to the distinction or lack of distinction between AltaLink and the 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, AltaLink shall not provide Non-Utility Affiliates with information relating to the planning, operations, finances or strategy of AltaLink or an Affiliated Utility before such information is publicly available.

See the Compliance Measures in Section 7.2 of this Plan.

#### 6.2 Management Exception

**Policy:** Officers of AltaLink 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, AltaLink 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:** AltaLink 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 Officer 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 AltaLink 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 by management to the **Compliance Officer**, 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 Officer** will verify the circumstances and, if appropriate, will provide an authorization in writing prior to the information being released.
4. The **Compliance Officer** of AltaLink will prepare a signed certificate in the form attached as Schedule “B” to this plan attesting that, except in the case of **Confidential Information** disclosed in accordance with Section 6.3 of the Code, they have not released **Confidential Information** related to a customer or prospective customer without receiving the prior written consent of the customer or prospective customer within 30 days of the end of the previous calendar year.
5. The **Compliance Officer** will maintain a record of the above 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:** AltaLink 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 AltaLink shall not disclose such aggregated customer information to an Affiliate prior to making such information publicly available.

#### Compliance Measures

1. If management of AltaLink proposes to disclose aggregated **Confidential Information** to an Affiliate, the **Compliance Officer** 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 Officer** 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 Officer** of AltaLink will prepare a signed certificate in the form attached as Schedule “B” to this plan attesting that they have not released aggregated **Confidential Information** to an **Affiliate** prior to making such information publicly available, within 30 days of the end of the previous calendar year.

4. The **Compliance Officer** will maintain a record of the above 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:** AltaLink shall be responsible for ensuring compliance with the Code on the part of its directors, employees, consultants, contractors and agents, and by Affiliates of AltaLink.

See the Compliance Measures in Section 7.2 of this Plan.

### 7.2 Communication of Code and Compliance Plan

**Policy:** AltaLink 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 AltaLink web site.

#### Compliance Measures

1. Each director, officer and employee of AltaLink will receive a copy of the Code on commencement of their relationship with AltaLink.

2. See the Compliance Measures in Section 3.1.1 for the record keeping which will exist for the Corporate Governance Group.

3. For new AltaLink 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 will be obtained on the commencement of employment with AltaLink. The acknowledgement will be kept in the Human Resources personnel file.

4. For AltaLink consultants, contractors, and agents, a responsible employee of AltaLink will review the work assignment of the consultant, contractor, or agent to determine if the work assignment may be 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 a copy of the [Code](#) to the affected party, and will require a written acknowledgement from the consultant, contractor, or agent that they have received a copy of the [Code](#), are familiar with its contents, and will abide by its requirements. The written acknowledgement will be forwarded to the [Compliance Officer](#) for record-keeping.

5. On an annual basis, the [Compliance Officer](#) will provide copies of the [Code](#) and this [Compliance Plan](#) to a senior officer of all [Affiliates](#) of AltaLink, unless such [Affiliate](#) is not actively carrying on business other than its investment in AltaLink.

6. Within 45 days of the end of the previous calendar year, each AltaLink employee will confirm (through an acknowledgement) that they have received the current [Compliance Training Material](#), a current copy 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. A record of the acknowledgements will be maintained by the [Compliance Officer](#).

7. Within 60 days of the end of the previous calendar year, the [Compliance Officer](#) will provide a written report to the [Compliance Plan Committee](#), identifying which if any AltaLink employees have not acknowledged receipt of a current copy of the [Code](#), awareness of its contents, and agreement to abide by its requirements.

8. The [Compliance Officer](#) will post the [Code](#) and the [Compliance Plan](#) on the AltaLink web site.

### **7.3 Retained for Numbering Consistency**

### **7.4 Responsibilities of the Compliance Officer**

**Policy: The AltaLink [Compliance Officer](#) will discharge the responsibilities detailed in Section 7.4 of the [Code](#).**

#### Compliance Measures

1. The responsibilities of the [Compliance Officer](#) are described in Section 7.4 of the [Code](#) as amended from time to time.

2. The [Compliance Officer](#) will prepare an annual report to the [Compliance Plan Committee](#) detailing the manner in which he/she has discharged the above responsibilities. The report will be prepared in a manner consistent with Section 7.4 of the [Code](#). The records required to be maintained by the [Compliance Officer](#) 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. Within 60 days of the end of the previous calendar year, the **Compliance Plan Committee** will review the report. The results of the review, and any recommendations by the **Compliance Plan Committee** for improvements to the manner in which the **Compliance Officer** discharges the above responsibilities will be detailed in the minutes of the meeting.

4. If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the Code (see Section 8).

## 7.5 The **Compliance Plan**

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

### Compliance Measures

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

## 7.6 The **Compliance Report**

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

### Compliance Measures

1. The **Compliance Report** will meet the requirements of section 7.6 of the Code as amended from time to time.

## 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 **Compliance Officer** will keep a record of all written (or e-mailed) disputes, complaints or inquiries from within AltaLink 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 **Compliance Officer** will keep the necessary records of disputes, complaints, or inquiries.
2. The **Compliance Officer** will ensure that appropriate instructions for sending disputes, complaints, or inquiries to the Compliance Officer are posted on the AltaLink website.
3. The **Compliance Officer** will ensure that a description of how the **Compliance Officer** will investigate disputes, complaints or inquiries (in a manner consistent with the Code) is posted on the AltaLink website.

## **8.2 Processing by Utility**

### **8.2.1 Compliance Officer Acknowledgment**

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

## Compliance Measures

1. The **Compliance Officer** will keep the necessary records of all acknowledgements of all disputes, complaints, or inquiries.

### **8.2.2 Disposition**

**Policy: The Compliance Officer 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 AltaLink to the issues identified in the submission. AltaLink'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

1. The **Compliance Officer** will keep the necessary records of all responses to the disputes, complaints, or inquiries.

## **8.3 Referral to the AUC**

**Policy: The Compliance Officer shall ensure that instructions on how to refer disputes to the AUC are contained on the AltaLink website.**

## Compliance Measures

1. Instructions for referring disputes to the AUC will be posted on the AltaLink 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 upon approval by the [AUC](#).

## 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 AltaLink and not in my personal capacity, to the best of my knowledge do hereby certify as follows:

1. My position with AltaLink 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 AltaLink Inter-Affiliate Code of Conduct (the Code).
3. I have read the Code, the Compliance Plan of AltaLink dated \_\_\_\_\_ and the Compliance Report of AltaLink 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 AltaLink, or by any Affiliate of AltaLink (including any director, officer, employee, consultant, contractor or agent of the Affiliate) with respect to any interaction between an Affiliate and AltaLink that is not fully and accurately described in the Compliance Report.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## 12 SCHEDULE B – COMPLIANCE REPORT

To: The AltaLink Compliance Officer and AltaLink Compliance Committee

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

1. Section \_\_\_\_\_ of the AltaLink Compliance Plan requires me to provide this Compliance Certificate on or before \_\_\_\_\_.
2. My position with AltaLink 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 \_\_\_\_\_, AltaLink 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: \_\_\_\_\_

**ALTALINK MANAGEMENT LTD.**  
**INTER-AFFILIATE CODE OF CONDUCT**  
**COMPLIANCE PLAN**  
**December 1, 2014**  
**Amended as of <approval date>**

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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 AltaLink will employ to ensure its full compliance with the provisions of the [Code](#) by AltaLink, its directors, officers, employees, consultants, contractors and agents, and by Affiliates of AltaLink with respect to the interactions of the Affiliates with AltaLink.

This [Compliance Plan](#) describes certain obligations and responsibilities of specified AltaLink management personnel. Notwithstanding this, and without otherwise reducing or eliminating the obligation and responsibility of the specified AltaLink 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 AltaLink management personnel to other AltaLink personnel.

Questions or comments concerning the [Compliance Plan](#) should be directed to the AltaLink [Compliance Officer](#):

Zora Lazic  
Phone: (403) 267-3450  
Fax: (403) 267-4270  
Email: zora.lazic@altalink.ca

or by contacting the Alberta Utilities Commission at: AUC Audit and Compliance Group, Phone: (403) 297-3590 Website: [www.auc.ab.ca](http://www.auc.ab.ca)

Copies of the [Code](#) and this [Compliance Plan](#) are available at [www.altalink.ca](http://www.altalink.ca). 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 AltaLink:
  - (i) an “affiliate” as defined in the ABCA;
  - (ii) all general and limited partners of ALP;
  - (iii) all general and limited partners of AILP;
  - (iv) all general and limited partners of AHLP;
  - (v) all shareholders of AML;

- (vi) all shareholders of AIML;
  - (vii) a unit or division within AltaLink or any **Body Corporate** referred to in clause (b) (i) to (vi) above;
  - (viii) a partnership, joint venture, or **Person** in which AltaLink or any **Body Corporate** referred to in clause (b) (i) to (vi) above has a controlling interest or that is otherwise subject to the control of AltaLink or such **Body Corporate**;
  - (ix) any partnership, joint venture, or **Person** deemed by the **AUC** to be an Affiliate of AltaLink for the purposes of the **Code**; and
  - (x) 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 (ix) above.
- (c) **“Affiliated Party Transactions Summary”** unless otherwise directed by the **AUC**, 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 AltaLink or by AltaLink 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) **“AHLP”** means AltaLink Holdings, L.P.
- (e) **“AILP”** means AltaLink Investments, L.P.
- (f) **“ALP”** means AltaLink, L.P.
- (g) **“AML”** means AltaLink Management Ltd., general partner of ALP.
- (h) **“AIML”** means AltaLink Investment Management Ltd., general partner of AILP and AHLP.
- (i) **“AML Affiliates”** means any entity to which the **Code** applies pursuant to **Section 2.3** of the Code.
- (j) **“AUC”** means the Alberta Utilities Commission.
- (k) **“Body Corporate”** means a “body corporate” as defined in the ~~ABCA~~ABCA or CBCA.
- (l) “CBCA” means the *Canada Business Corporations Act*.
- ~~(m)~~ **“Code”** means the AML Inter-Affiliate Code of Conduct.
- (n) **“Code Acknowledgement Documentation”** means electronic acknowledgement confirming receipt, familiarity and agreement to abide by the terms of the Code and the Compliance Plan.

~~(o)~~ **“Common Director”** means a member of the Board of Directors of AltaLink who is also a member of the Board of Directors of an Affiliate of AltaLink.

~~(p)~~ **“Common Officer”** means an officer of AltaLink who is also an officer of a Non-Utility Affiliate of AltaLink.

~~(m)(q)~~ **“Compliance Officer”** shall have the meaning ascribed thereto in Section 7.3 of the Code.

~~(n)(r)~~ **“Compliance Plan”** shall mean the document to be prepared and updated by AltaLink pursuant to Section 7.5 of the Code.

~~(o)(s)~~ **“Compliance Plan Committee” (CPC)** shall mean a committee which shall meet on an as-needed basis and at least two times annually, comprised of at least the following:

- (i) Chief Financial Officer, AltaLink
- (ii) Chief Operating Officer, AltaLink
- (iii) Director, Internal Audit, AltaLink
- (iv) Compliance Officer, AltaLink

~~(p)(t)~~ **“Compliance Report”** shall have the meaning ascribed thereto in Section 7.6 of the Code. If there is a matter that ought to be brought to the attention of the ~~Board~~AUC, then AltaLink will provide an exception report or a more detailed report on a quarterly basis.

~~(q)(u)~~ **“Compliance Training Material”** means the material developed by the Compliance Officer prior to the end of each calendar year which will be used to ensure that all employees of AltaLink are familiar with the provisions of the Code, and this Plan. At a minimum, the material will include instructions on:

- (i) impartial application of the AltaLink tariff;
- (ii) equal access to Utility Services;
- (iii) avoiding undue influence of customers with respect to Affiliates;
- (iv) ensuring Affiliate compliance with the Code;
- (v) appropriate use of the AltaLink name, logo, or other distinguishing characteristics;
- (vi) protecting the confidentiality of Utility information;
- (vii) treatment of Confidential Information related to customers; and
- (viii) process for forwarding disputes, complaints or inquiries to the Compliance Officer.

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

~~(n.1)~~ **“Corporate Governance Group”** means those Directors, Officers and Employees who have the responsibility for corporate governance, policy and strategic direction for both Utility and Non-Utility businesses within the AltaLink partnership structure.

~~(s)~~(w) **“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 AltaLink of an Affiliate’s services, means the complete costs of providing the service, determined in a manner acceptable to AltaLink, acting prudently;
- (iv) the use by an Affiliate of AltaLink’s services, means the complete costs of providing the service, determined in a manner acceptable to AltaLink, 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.

~~(x)~~ **“Emergency Services”** shall have the meaning ascribed thereto in Section 3.3.7 of the Code.

~~(t)~~(y) **“Fair Market Value”** means the price reached in an open and unrestricted market between informed and prudent parties, acting at ~~arms~~arm’s length and under no compulsion to act.

~~(u)~~(z) **“For Profit Affiliate Service”** means any service, provided on a for-profit basis:

- (i) by AltaLink to a **Non-Utility Affiliate**, other than a Utility Service; or
- (ii) by a Non-Utility Affiliate to AltaLink.

~~(v)~~(aa) **“Information Services”** means any computer systems, computer services, databases, electronic storage services or electronic communication media utilized by AltaLink relating to AltaLink customers or AltaLink operations.

~~(w)~~(bb) **“Major Transaction”** means a transaction or series of related transactions within a calendar year between AltaLink 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.

~~(x)~~(cc) **“Materially Revised”** for the purposes of mechanisms 3 and 4 of Section 4.1, does not include any changes made as a result of an order or direction of the **AUC**; minor administrative changes, such as change of name, title or location; or changes to the pricing provisions of the relevant **Services Agreement** if such changes are supported by adequate

evidence to conclude that the **For Profit Affiliate Services** are being acquired at a price which is no more than **Fair Market Value**, or being provided at a price which is no less than **Fair Market Value**.

~~(y)~~(dd) **“Non-Utility Affiliate”** means an **Affiliate** that is not a **Utility**.

~~(z)~~(ee) **“Occasional Services”** shall have the meaning ascribed thereto in Section 3.3.6 of the **Code**.

~~(aa)~~(ff) **“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).

~~(bb)~~(gg) **“Person”** means a “person” as defined in the ~~ABCA~~ABCA or CBCA.

~~(ee)~~(hh) **“Services Agreement”** means an agreement entered into between AltaLink 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 AltaLink and each **Affiliate** party to the agreement that the agreement complies with the **Code**.

~~(dd)~~(ii) **“Shared Service”** means any service, other than a **Utility Service** or a **For Profit Affiliate Services**, provided on a **Cost Recovery Basis** by AltaLink to an **Affiliate** or by an **Affiliate** to AltaLink.

~~(ee)~~(jj) **“Subsidiary”** shall have the meaning ascribed thereto in Section 2 (4) of the **ABCA**.

~~(ff)~~(kk) **“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; or
- (ii) “public utility” under the *Public Utilities Board Act*, R.S.A. 2000, c. P-45.

~~(gg)~~(ll) **“Utility Service”** means a service, the terms and conditions of which are regulated by the **AUC**, and includes services for which an individual rate, joint rate, toll, fare, charge or schedule of them, have been approved by the **AUC**.

## 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 AltaLink are obligated to comply with this Plan and all directors, officers, employees, consultants, contractors and agents of [Affiliates](#) of AltaLink are obligated to comply with this Plan to the extent they interact with AltaLink.

## 2.4 Coming into Force

This Plan comes into force on approval by the [AUC](#).

## 2.5 Amendments to this Plan

This Plan may be reviewed and amended from time to time by the [AUC](#) on its own initiative, or pursuant to a request by any party to whom this Plan applies or by an interested party.

## 2.6 Retained for Numbering Consistency

## 2.7 Authority of the [AUC](#)

Upon approval of this Plan by the [AUC](#), such approval does not detract from, reduce or modify in any way, the powers of the [AUC](#) to deny, vary, approve with conditions, or overturn, the terms of any transaction or arrangement between AltaLink 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 [AUC](#) approvals or filings where required by statute or by [AUC](#) decisions, orders or directions.

# 3 GOVERNANCE AND SEPARATION OF [UTILITY BUSINESSES](#)

## 3.1 Governance

### 3.1.1 Separate Operations

**Policy:** AltaLink business and affairs 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 a corporate group of businesses as a whole.

#### Compliance Measures

1. The AltaLink [Compliance Officer](#) will maintain an up-to-date list of the ~~Corporate Governance Group, if any such group exists.~~ [Common Directors and Common Officers of AltaLink, \(the “List of Directors and Officers”\)](#).

2. ~~If applicable, On an annual basis,~~ the Compliance Officer will, ~~on an annual basis,~~ provide ~~a formal education session~~ Compliance Training Material to the ~~Corporate Governance Group~~ Common Directors and Common Officers of AltaLink. Within ~~3090~~ days of the end of ~~the previous~~ each calendar year, the Compliance Officer will seek and obtain written acknowledgement from all individuals identified as the ~~Corporate Governance Group~~ Common Officers (excluding directors and officers who are involved in day-to-day management of AltaLink and who sign the Joint Officers or Management Team Members Certificate under Section 3.1.5) that they have received the Compliance Training Material, that they are familiar with the requirements of the Code and the Plan, and that their role in managing the business and affairs of AltaLink have been limited to providing corporate governance, policy, and strategic direction ~~– (the “Common Officers’ Code Acknowledgement”)~~. This acknowledgement will also confirm that the individuals identified as the ~~Corporate Governance Group~~ Common Officers 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 Compliance Plan Committee will review the ~~above acknowledgement within 60 days of~~ acknowledgements prior to filing the ~~end of the previous calendar year~~ annual Compliance Report. The minutes of the meeting at which the ~~acknowledgement is~~ acknowledgements are reviewed will reflect the results of the review.

4. If any instances of non-compliance with this policy are identified by the Compliance Plan Committee, they will be treated as an inquiry under the Code (see Section 8 of this Plan).

### 3.1.2 Retained for Numbering Consistency

### 3.1.3 Separate Management

**Policy:** AltaLink will have a separate management team and separate officers from its Non-Utility Affiliates, but may share management team members or officers with other Affiliated Utilities.

#### Compliance Measures

1. Prior to either amending the ~~make-up~~ membership of the AltaLink management team, or changing the AltaLink officers with any person who may be ~~reasonably~~ perceived as having participated in the management of any Affiliate, the President of AltaLink will provide a notice verbally or in writing to the ~~AltaLink~~ Compliance Officer. The Compliance Officer will document verbal notices. If the Compliance Officer does not identify a concern with adherence to this policy within five working days of receiving the notice, the President may proceed with the change. If the Compliance Officer does identify a potential concern with adherence to this policy, he/she will advise the President within five working days and ~~the proposed appointment shall not proceed~~ initiate an inquiry under the Code (see Section 8 of this Plan).

2. The ~~AltaLink~~ Compliance Officer will maintain an up-to-date list of AltaLink management team members and officers, ~~(the “AltaLink Management and Officers’ List”)~~.

3. Within ~~6090~~ days of the end of ~~the previous each~~ calendar year, the Compliance Plan Committee will meet and the ~~list of “AltaLink management team members~~ Management and ~~officers~~ Officers’ List” will be compared to the current management team members and officers of AltaLink’s Non-Utility Affiliates, ~~other than Affiliates which are not actively carrying on business except for their investment in AltaLink,~~ and the minutes of the meeting will reflect the outcome of this comparison.

4. ~~If any instances of non-compliance~~ Any conflicts with this policy ~~are identified by the Compliance Plan Committee, they~~ as a result of this review will be treated as an inquiry under the ~~Code~~ Code (see Section 8 ~~of this Plan~~).

### 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 AltaLink and as a director, officer or member of a management team of an Affiliate of AltaLink 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 Compliance Officer will maintain an up-to-date listing of directors, officers, or members of the management team of AltaLink who act as directors, officers, or members of the management team of an Affiliate of AltaLink, ~~(the “AltaLink Management and Officers’ List”)~~.

2. All such ~~directors,~~ officers, or members of the management team of AltaLink who also act as ~~directors,~~ officers, or members of the management team of an Affiliate of AltaLink will, on commencement of such dual responsibilities, provide a signed certificate to the Compliance Officer 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 “Joint Officers or Management Team Members Certificate”)~~.

3. Within ~~3060~~ days of the end of each calendar year, all such ~~directors,~~ officers, or members of the management team of AltaLink who also act as ~~directors,~~ officers, or members of the management team of an Affiliate of AltaLink will provide a signed certificate to the Compliance Officer that stipulates that he/she carried his/her responsibilities in a manner which preserved the form, and the spirit and intent of the Code. ~~Code (the “Joint Officers or Management Team Members Certificate”)~~.

4. The **Compliance Officer** will maintain a record of the above 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) ~~of this Plan~~. of this Plan.

### 3.2 Degree of Separation

#### 3.2.1 Accounting Separation

**Policy:** AltaLink shall have separate financial records and books of accounts from all **Affiliates**.

##### Compliance Measures

1. The Vice President, Controller will ensure the accounts and records of AltaLink are kept separate from the accounts and records of all **Affiliates**.

2. The Vice President, Controller will provide 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, ~~(the “Financial Records Certificate”)~~, to the ~~Compliance Officer~~ **Compliance Officer** within ~~3060~~ days of the end of ~~the previous~~ each calendar year.

3. The **Compliance Officer** will maintain a record of the above ~~certificates~~ certificate. 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 of this Plan).

#### 3.2.2 Physical Separation

**Policy:** AltaLink 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 AltaLink is located in the same building as a **Non-Utility Affiliate**, AltaLink will institute appropriate security controlled access, through the use of receptionists, keyed locks, or card-key access.

2. The AltaLink Facilities Manager will provide a signed certificate in the form attached as Schedule “B” to this Plan attesting to the physical separation of AltaLink from all **Non-Utility Affiliates**, ~~(the “Physical Separation Certificate”)~~, within ~~3060~~ days of the end of each calendar year.

3. The **Compliance Officer** will maintain a record of the above ~~certificate~~ 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 of this Plan).

### 3.2.3 Separation of Information Services

**Policy:** Where AltaLink 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 AltaLink may only be provided in writing by the Vice President, Information Technology. A copy of each approval so issued, (the “IT Approvals”) will be provided on an annual basis to the Compliance Officer forthwith who will maintain a record of the above approvals.
2. The Vice President, Information Technology 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 AltaLink.
3. The Vice President, Information Technology will provide a signed certificate in the form attached as Schedule “B” to this ~~plan~~Plan, (the “Shared Access Compliance Certificate”) attesting to the protection from unauthorized access by Affiliates to shared Information Services, to the Compliance Officer within ~~3060~~ days of the end of the ~~previous~~each calendar year.
4. The Compliance Officer will maintain a record of the above ~~certificates-approvals and certificate~~. Any failure to provide a certificate as described in paragraph 1 and 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 of this Plan).
5. The Compliance Officer will review the access control lists ~~for all Information Services and the IT Approvals for all Information Services~~ shared with an Affiliate of AltaLink and will provide a signed certificate in the form attached as Schedule “B” to this ~~plan~~Plan, (the “Compliance Officer Certificate”) attesting that he/she has reviewed all Information Services shared with an Affiliate of AltaLink and that all access by Affiliates of AltaLink to Information Services is in accordance with Section 3.2.3 of the Code.
6. Any failure to provide a certificate as described in paragraph 5 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 of this Plan).

### 3.2.4 Financial Transactions with Affiliates

**Policy:** Any loan, investment, or other financial support provided by AltaLink 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 Vice President, ~~Corporate Finance of AltaLink~~ **Treasurer** 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 Vice President, ~~Corporate Finance~~ **Treasurer** will provide a signed certificate in the form attached ~~to this Plan~~ as Schedule “B” to this Plan 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 certificate will be provided to the **Compliance Officer** within ~~30~~ **60** days of the end of ~~the previous~~ each calendar year.
3. The **Compliance Officer** will maintain a record of the above ~~certificates~~ certificate. 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 of this Plan).

### **3.3 Resource Sharing**

#### **3.3.1 Sharing of Employees**

**Policy:** AltaLink will 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. Before sharing employees with an **Affiliate**, the written permission of the appropriate Vice-President of AltaLink must be provided to the Senior Vice President, Human Resources, unless such sharing is already documented as a **Shared Services** under a **Services Agreement**.
2. The Senior Vice President, Human Resources will retain the written permission on file, and provide quarterly reports (the “Shared and Transferred Employees Report”) to the **Compliance Officer** on all instances of sharing AltaLink employees with **Affiliates** which have occurred, or continued during the reporting period, other than employee sharing documented as a **Shared Service** under a **Service Agreement**. The report will identify if the required Vice President approval was in place before the sharing took place. The **Compliance Officer** will review the ~~quarterly report on employee sharing~~ “Shared and Transferred Employees Report” and will immediately notify the **Compliance Plan Committee** of any instances of employees being shared with **Affiliates** without the signed permission of the appropriate Vice President or any instances of employees being shared in advance of the VP approval being granted.

3. Within ~~30 days following the receipt of the Compliance Officer's notice described in mechanism 2 above, or in the event that no such notice is provided, within 60 days of the end of the previous~~90 days of the end of each calendar year, the Compliance Plan Committee will review the ~~quarterly reports on sharing AltaLink employees.~~ "Shared and Transferred Employees Report". The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the Compliance Plan Committee for changes to the manner in which employees are shared with Affiliates.

4. Any recommendations for changes to the manner in which employees are shared with Affiliates will be approved by the Compliance Plan Committee. If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the Code (see Section 8 of this Plan).

### 3.3.2 Transferring of Employees

**Policy:** Where an employee is being transferred from AltaLink to an Affiliate, the appropriate Vice President 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 Vice President will obtain the necessary confidentiality agreement prior to the transfer of the employee.

#### Compliance Measures

1. The appropriate AltaLink Vice President will review all transfers of employees from his/her responsibility to an Affiliate, and identify if the employee had access to Confidential Information while employed with AltaLink. If the employee did have access to Confidential Information, the Vice President will obtain the necessary signed confidentiality agreement prior to the transfer of the employee, and will provide the signed agreement to the Senior Vice President, Human Resources.

2. The Senior Vice President, Human Resources will retain the confidentiality agreement on file and provide a quarterly report, ~~(the "Shared and Transferred Employees Report")~~ to the Compliance Officer on all instances of AltaLink 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 Compliance Officer will review the quarterly report on employee transfers and will immediately notify the Compliance Plan Committee of any instances of employees being transferred to Affiliates without the signed confidentiality agreement in place before the transfer took place.

3. Within ~~30 days following the receipt of the Compliance Officer's notice described in mechanism 2 above, or in the event that no such notice is provided, within 60 days of the end of the previous~~90 days of the end of each calendar year, the Compliance Plan Committee will review the ~~report on transferring AltaLink employees.~~ "Shared or Transferred Employees Report". The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the

[Compliance Plan Committee](#) for changes to the manner in which employees are transferred to [Affiliates](#).

4. Any recommendations for changes to the manner in which employees transfer to [Affiliates](#) will be approved by the [Compliance Plan Committee](#). If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the [Code](#) (see Section 8 [of this Plan](#)).

### 3.3.3 Sharing of Assets

**Policy:** Plant, assets and equipment of AltaLink shall be separated in ownership and separated physically from the plant, assets and equipment of [Non-Utility Affiliates](#). ~~Where AltaLink shares plant, assets, equipment, Utility Affiliates may share ownership and may physically share office space, equipment, rights-of-way and other assets with a Utility Affiliate, such sharing will be done on a Cost Recovery Basis.~~

#### Compliance Measures

1. The Chief Operating Officer of AltaLink will maintain an inventory of all plant, assets and equipment shared with [Affiliates](#).

2. The Chief Operating Officer will ensure that no plant, assets and equipment are shared with [Non-Utility Affiliates](#).

3. Within the first ~~3060~~ days of the end of each calendar year, the Chief Operating Officer will provide an annual report to the [Compliance Officer](#) of all plant, assets and equipment shared with [Utility Affiliates](#), (~~the “Chief Operating Officer Report to CPC”~~) identifying the methods used to ensure that such sharing was done on a [Cost Recovery Basis](#), the percentage of costs borne by each party and that these percentages were appropriate.

4. The [Compliance Plan Committee](#) will review the ~~above report~~ [“Chief Operating Officer Report to CPC”](#) within ~~6090~~ days of the end of ~~the previous each~~ 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 [Compliance Plan Committee](#) for changes to the methods used to ensure that plant, assets and equipment are shared with [Utility Affiliates](#) on a [Cost Recovery Basis](#).

5. Any recommendations for changes to the methods used to ensure that plant, assets and equipment are shared with [Utility Affiliates](#) on a [Cost Recovery Basis](#) will be approved by the [Compliance Plan Committee](#). If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the [Code](#) (see Section 8 [of this Plan](#)).

### 3.3.4 Shared Services Permitted

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

#### Compliance Measures

1. The Compliance Officer will maintain an inventory of all **Shared Services** obtained from, or provided to an **Affiliate**, ~~(the “Compliance Officer Inventory Report”).~~
2. All new or revised **Shared Services** will be documented by a **Services Agreement**.
3. Prior to receiving a ~~new or revised Shared Service~~, the **Services Agreement**, ~~and a business case identifying that it is prudent to obtain the Shared Services~~ will be prepared by the appropriate AltaLink employee and presented to the **Compliance Plan Committee** for review and approval. A business case identifying that it is prudent to obtain Shared Services will be prepared if the annual value of the Shared Services is estimated to be greater than \$50,000. The business case will be presented to the Compliance Plan Committee for review and approval.
4. Prior to providing a **Shared Service**, the **Services Agreement** will be prepared by the appropriate AltaLink employee and presented to the **Compliance Plan Committee** for review and approval.
5. The **Shared Services** will be reviewed by the **Compliance Plan Committee** within ~~6090~~ days of the end of ~~the previous each~~ calendar year. 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:** AltaLink 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 Officer** 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 ~~3090~~ days of the end of ~~the previous each~~ calendar year, the **Compliance Officer** will provide to the **Compliance Plan Committee** the ~~necessary annual~~ report of

Occasional Services provided by AltaLink to an Affiliate and vice versa, (the “Compliance Officer Inventory Report”) indicating whether the services have been provided on a cost recovery basis and have been properly documented, ~~and remain non-material, required by Section (k) of the Compliance Report.~~

3. The **Compliance Plan Committee** will review the ~~above report within 60 days of “Compliance Officer Inventory Report” prior to filing the end of the previous calendar year.~~ annual Compliance Report. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the **Compliance Plan Committee** for changes to the provision, receipt and documentation of **Occasional Services**.

4. Any recommendations for changes to the provision, receipt and documentation of **Occasional Services**, will be approved by the **Compliance Plan Committee**. If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the **Code** (see Section 8 of this Plan).

### 3.3.7 Emergency Services Permitted

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

#### Compliance Measures

1. The **Compliance Officer** 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 3090 days of the end of ~~the previous~~ each calendar year, the **Compliance Officer** will provide ~~the necessary~~ an annual report of Emergency Services provided by AltaLink to an **Affiliate** and vice versa, (the “Compliance Officer Inventory Report”), indicating whether the services have been provided on a cost recovery basis, have been properly documented, ~~and remain non-material, required by Section (l) of the Compliance Report,~~ to the **Compliance Plan Committee**.

3. The **Compliance Plan Committee** will review the ~~above report within 60 days of “Compliance Officer Inventory Report” prior to filing the end of the previous calendar year.~~ annual Compliance Report. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the **Compliance Plan Committee** for changes to the provision, receipt and documentation of Emergency Services.

4. Any recommendations for changes to the provision, receipt and documentation of Emergency Services, will be approved by the **Compliance Plan Committee**. If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the **Code** (see Section 8 of this Plan).

## 4 TRANSFER PRICING

### 4.1 For Profit Affiliate Services

**Policy:** AltaLink 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 **Compliance Officer** will maintain an inventory of all **For Profit Affiliate Services** obtained from, or provided to an **Affiliate**.
2. All existing, new or revised **For Profit Affiliate Services** will be documented by a **Services Agreement**, duly executed by AltaLink employees with the appropriate signing authority.
3. Prior to implementing a new or ~~materially~~ revised **For Profit Affiliate Service** to receive services from an **Affiliate**, the **Services Agreement**, and a business case, if applicable, identifying that it is prudent to obtain the **For Profit Affiliate Service** will be reviewed and approved by the **Compliance Plan Committee**. A business case identifying that it is prudent to obtain the For Profit Affiliate Service will be prepared if the annual value of the For Profit Affiliate Service is estimated to be greater than \$50,000. The business case 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 materially~~ revised **For Profit Affiliate Service** to provide services to an **Affiliate**, the **Services Agreement**, and a description of the process used to determine that the **For Profit Affiliate Service** is to be provided at a price which is no less than **Fair Market Value** will be reviewed and approved by the **Compliance Plan Committee**. **Fair Market Value** will be determined in a manner consistent with Section 4.5 of the Code.
5. The **For Profit Affiliate Services between AltaLink and an Affiliate** will be reviewed by the **Compliance Plan Committee** within ~~60~~90 days of the end of ~~the previous~~each calendar year. 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**.

## 4.2 Pricing For Profit Affiliate Services

### 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 AltaLink to an **Affiliate** or by an **Affiliate** to AltaLink will be at **Fair Market Value**, subject to the provisions of Section 4.6 of the Code.

#### Compliance Measures

1. The Chief Operating Officer of AltaLink will approve any asset transfers, mortgages, leases, or other dispositions by AltaLink to an **Affiliate**, or by an **Affiliate** to AltaLink, and will ensure that such asset transfers are at **Fair Market Value**, subject to the provisions of Section 4.6 of the Code.

2. Within ~~3060~~ days of the end of ~~the previous~~ each calendar year, the Chief Operating Officer will provide ~~an annual~~ report to the **Compliance Officer** detailing any asset transfers between AltaLink and **Affiliates**, ~~(the “Chief Operating Officer Report to CPC”)~~. 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.

3. Within ~~6090~~ days of the end of ~~the previous~~ each calendar year, the **Compliance Plan Committee** will review the ~~above report~~ ~~“Chief Operating Officer Report to CPC”~~. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the **Compliance Plan 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 for changes to the methods used to ensure that asset transfers between AltaLink and **Affiliates** are priced at **Fair Market Value**, subject to the provisions of Section 4.6 of the Code, will be approved by the **Compliance Plan Committee**. If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the **Code** (see Section 8 ~~of this Plan~~).

### 4.5 Retained for Numbering Consistency

### 4.6 Asset Transfers Between Utilities for **Operational Efficiencies**

**Policy:** AltaLink may obtain **Operational Efficiencies** through the use of common facilities, combined purchasing power or other cost saving procedures by transferring individual assets or groups of assets used in **Utility** operations between AltaLink and **Utility Affiliates** on a **Cost Recovery Basis**.

## Compliance Measures

1. The appropriate Vice Presidents will approve asset transfers for operational efficiencies. The Chief Operating Officer will ensure that the transfer of individual assets or groups of assets used in Utility operations between AltaLink and **Utility Affiliates**, will be done on a **Cost Recovery Basis**.
2. Within **3060** days of the end of ~~the previous each~~ calendar year, the Chief Operating Officer will provide a report to the **Compliance Officer**, (~~the “Chief Operating Officer Report to CPC”~~) detailing any arrangements for obtaining Operational Efficiencies between AltaLink and **Utility Affiliates**. The report will describe the manner in which the asset transfers were determined to be on a **Cost Recovery Basis**.
3. Within **6090** days of the end of ~~the previous each~~ calendar year, the **Compliance Plan Committee** will review the ~~above report: “Chief Operating Officer Report to CPC”~~. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the **Compliance Plan Committee** for changes to the methods used to ensure that asset transfers are on a **Cost Recovery Basis**.
4. Any recommendations for changes to the methods used to ensure that asset transfers between AltaLink and **Affiliates** are valued on a **Cost Recovery Basis** will be approved by the **Compliance Plan Committee**. If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the **Code** (see Section 8 ~~of this Plan~~).

## **5 EQUAL TREATMENT WITH RESPECT TO UTILITY SERVICES**

### **5.1 Impartial Application of Tariff**

**Policy:** AltaLink 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:** AltaLink 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 AltaLink.

See the Compliance Measures in Section 7.2 of this Plan.

### 5.3 No Undue Influence

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

See the Compliance Measures in Section 7.2 of this Plan.

### 5.4 **Affiliate** Activities

**Policy:** AltaLink 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:** AltaLink shall take reasonable steps to ensure that an Affiliate does not use AltaLink's name, logo or other distinguishing characteristics in a manner which would mislead consumers as to the distinction or lack of distinction between AltaLink and the 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, AltaLink shall not provide Non-Utility Affiliates with information relating to the planning, operations, finances or strategy of AltaLink or an Affiliated Utility before such information is publicly available.

See the Compliance Measures in Section 7.2 of this Plan.

### 6.2 Management Exception

**Policy:** Officers of AltaLink 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, AltaLink 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:** AltaLink 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 Officer 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 AltaLink 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 by management to the Compliance Officer, 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 Officer will verify the circumstances and, if appropriate, will provide an authorization in writing prior to the information being released.
4. The Compliance Officer of AltaLink will prepare a signed certificate in the form attached as Schedule “B” to this ~~plan attesting that, except in the case of Confidential Information disclosed in accordance with Section 6.3 of the Code~~ Plan attesting that, they have not released Confidential Information related to a customer or prospective customer without receiving the prior written consent of the customer or prospective customer, (the “Compliance Officer Certificate”) within ~~3060~~ 3060 days of the end of ~~the previous~~ each calendar year.
5. The Compliance Officer will maintain a record of the above ~~certificates~~ certificate. 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 of this Plan).

### 6.4 Aggregated Confidential Information

**Policy:** AltaLink may disclose Confidential Information when aggregated with the Confidential Information of other customers in such a manner that an

**individual customer's Confidential Information cannot be identified, provided that AltaLink shall not disclose such aggregated customer information to an Affiliate prior to making such information publicly available.**

### Compliance Measures

1. If management ~~of AltaLink~~ proposes to disclose aggregated Confidential Information to an Affiliate, the Compliance Officer 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 Officer 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 Officer ~~of AltaLink~~ will prepare a signed certificate in the form attached as Schedule "B" to this Plan attesting that they have not released aggregated Confidential Information to an Affiliate prior to making such information publicly available, (the "Compliance Officer Certificate") within ~~3060~~ days of the end of ~~the previous~~each calendar year.
4. The Compliance Officer will maintain a record of the above 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 of this Plan).

## **7 COMPLIANCE MEASURES**

### **7.1 Responsibility for Compliance**

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

See the Compliance Measures in Section 7.2 of this Plan.

### **7.2 Communication of Code and Compliance Plan**

**Policy:** AltaLink 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 AltaLink web site.

### Compliance Measures

1. Each director, officer ~~and employee, employee, consultant, contractor, agent and Affiliate~~ of AltaLink will receive a copy of the Code on commencement of their relationship with AltaLink.

~~2. See the Compliance Measures in Section 3.1.1 for the record keeping which will exist for the Corporate Governance Group.~~

~~23. For new AltaLink employees (not included in the excluding the Common Directors and Corporate Governance Group), a signed Common Officers), an electronic acknowledgement that the employee has received, and is familiar with, the Code and this Compliance Plan, (the "Code Acknowledgement Documentation") will be obtained on the commencement of employment with AltaLink. The electronic acknowledgement will be kept in the Human Resources personnel file maintained by Training Services.~~

~~34. For AltaLink consultants, contractors, and agents, at the responsible employee of AltaLink will review the work assignment of the consultant, contractor, or agent to determine if the work assignment may be 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 a copy of the Code to the affected party, and will require obtain a written acknowledgement from the consultant, contractor, or agent that they have received a copy of the Code, are familiar with its contents, and will abide by its requirements. The written acknowledgement will be forwarded to the Compliance Officer for record keeping.~~

~~45. T On an annual basis, the Compliance Officer will provide copies of the Code and this Compliance Plan to a senior officer of all Affiliates of AltaLink, unless such on an annual basis, addressed to a senior officer of the Affiliate is not actively carrying on business other than its investment in AltaLink.~~

~~56. Within 4560 days of the end of the previous each calendar year, each AltaLink employee (excluding Common Directors and Common Officers of AltaLink) will confirm (through an electronic acknowledgement) that they have received the current Compliance Training Material, a current copy 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. A record of (the "Code Acknowledgement Documentation"). The electronic acknowledgements will be maintained by the Compliance Officer Training Services.~~

~~67. T Within 60 days of the end of the previous calendar year, the Compliance Officer will provide a written report to the Compliance Plan Committee, identifying which, if any, AltaLink employees have not acknowledged receipt of a current copy of completed the Code, awareness of its contents, and agreement "Code Acknowledgement Documentation". The Compliance Plan Committee will review the written report prior to abide by its requirements. filing the annual Compliance Report.~~

78. The **Compliance Officer** will post the **Code** and the **Compliance Plan** on the AltaLink web site.

### 7.3 Retained for Numbering Consistency

### 7.4 Responsibilities of the Compliance Officer

**Policy:** The AltaLink **Compliance Officer** will discharge the responsibilities detailed in Section 7.4 of the **Code**.

#### Compliance Measures

1. The responsibilities of the **Compliance Officer** are described in Section 7.4 of the Code as amended from time to time.

2. ~~The~~ Within 90 days of the end of each calendar year, the **Compliance Officer** will prepare ~~an annual~~ report ~~to for review by~~ the **Compliance Plan Committee** detailing the manner in which he/she has discharged the above responsibilities, (the “Compliance Officer Report to the CPC”). The report will be prepared in a manner consistent with Section 7.4 of the **Code**. The records required to be maintained by the **Compliance Officer** 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. ~~Within 60 days of~~ Prior to filing the end of the previous calendar year, annual **Compliance Report**, the **Compliance Plan Committee** will review the ~~report: “Compliance Officer Report to the CPC”~~. The results of the review, and any recommendations by the **Compliance Plan Committee** for improvements to the manner in which the **Compliance Officer** discharges the above responsibilities will be detailed in the minutes of the meeting.

4. If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the **Code** (see Section 8 of this Plan).

### 7.5 The **Compliance Plan**

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

#### Compliance Measures

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

### 7.6 The **Compliance Report**

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

### Compliance Measures

1. The **Compliance Report** will meet the requirements of Section 7.6 of the **Code** as amended from time to time.

#### **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 **Compliance Officer** will keep a record of all written (or e-mailed) disputes, complaints or inquiries from within AltaLink 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 **Compliance Officer** will keep the necessary records of disputes, complaints, or inquiries.

2. The **Compliance Officer** will ensure that appropriate instructions for sending disputes, complaints, or inquiries to the Compliance Officer are posted on the AltaLink website.

3. The **Compliance Officer** will ensure that a description of how the **Compliance Officer** will investigate disputes, complaints or inquiries (in a manner consistent with the Code) is posted on the AltaLink website.

### **8.2 Processing by Utility**

#### **8.2.1 **Compliance Officer** Acknowledgment**

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

### Compliance Measures

~~1. The **Compliance Officer** will keep the necessary records of all acknowledgements of all disputes, complaints, or inquiries.~~  
See Section 8.1.

## 8.2.2 Disposition

**Policy:** The **Compliance Officer** 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 AltaLink to the issues identified in the submission. AltaLink'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

~~1. The Compliance Officer will keep the necessary records of all responses to the disputes, complaints, or inquiries.~~

~~See Section 8.1.~~

## 8.3 Referral to the AUC

**Policy:** The **Compliance Officer** shall ensure that instructions on how to refer disputes to the AUC are contained on the AltaLink website.

### Compliance Measures

1. Instructions for referring disputes to the **AUC** will be posted on the AltaLink 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~~Amended Plan comes into effect upon approval by the **AUC**.

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## 11 SCHEDULE A – OFFICER’S CERTIFICATE

To: The Alberta Utilities Commission

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

1. My position with AltaLink 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 AltaLink Inter-Affiliate Code of Conduct (the Code).
3. I have read the Code, the Compliance Plan of AltaLink dated \_\_\_\_\_ and the Compliance Report of AltaLink 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 AltaLink, or by any Affiliate of AltaLink (including any director, officer, employee, consultant, contractor or agent of the Affiliate) with respect to any interaction between an Affiliate and AltaLink that is not fully and accurately described in the Compliance Report.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## 12 SCHEDULE B – COMPLIANCE REPORT

To: The AltaLink Compliance Officer and AltaLink Compliance Committee

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

1. Section \_\_\_\_\_ of the AltaLink Compliance Plan requires me to provide this Compliance Certificate on or before \_\_\_\_\_.
2. My position with AltaLink 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 \_\_\_\_\_, AltaLink 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: \_\_\_\_\_

**ALTALINK MANAGEMENT LTD.  
 INTER-AFFILIATE CODE OF CONDUCT  
 COMPLIANCE PLAN  
 Amended as of <approval date>**

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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 AltaLink will employ to ensure its full compliance with the provisions of the [Code](#) by AltaLink, its directors, officers, employees, consultants, contractors and agents, and by Affiliates of AltaLink with respect to the interactions of the Affiliates with AltaLink.

This [Compliance Plan](#) describes certain obligations and responsibilities of specified AltaLink management personnel. Notwithstanding this, and without otherwise reducing or eliminating the obligation and responsibility of the specified AltaLink 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 AltaLink management personnel to other AltaLink personnel.

Questions or comments concerning the [Compliance Plan](#) should be directed to the AltaLink [Compliance Officer](#):

Zora Lazic  
Phone: (403) 267-3450  
Fax: (403) 267-4270  
Email: zora.lazic@altalink.ca

or by contacting the Alberta Utilities Commission at: AUC Audit and Compliance Group, Phone: (403) 297-3590 Website: [www.auc.ab.ca](http://www.auc.ab.ca)

Copies of the [Code](#) and this [Compliance Plan](#) are available at [www.altalink.ca](http://www.altalink.ca). 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 AltaLink:
  - (i) an “affiliate” as defined in the ABCA;
  - (ii) all general and limited partners of ALP;
  - (iii) all general and limited partners of AILP;
  - (iv) all general and limited partners of AHLP;
  - (v) all shareholders of AML;

- (vi) all shareholders of AIML;
  - (vii) a unit or division within AltaLink or any **Body Corporate** referred to in clause (b) (i) to (vi) above;
  - (viii) a partnership, joint venture, or **Person** in which AltaLink or any **Body Corporate** referred to in clause (b) (i) to (vi) above has a controlling interest or that is otherwise subject to the control of AltaLink or such **Body Corporate**;
  - (ix) any partnership, joint venture, or **Person** deemed by the **AUC** to be an Affiliate of AltaLink for the purposes of the **Code**; and
  - (x) 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 (ix) above.
- (c) **“Affiliated Party Transactions Summary”** unless otherwise directed by the **AUC**, 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 AltaLink or by AltaLink 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) **“AHLP”** means AltaLink Holdings, L.P.
  - (e) **“AILP”** means AltaLink Investments, L.P.
  - (f) **“ALP”** means AltaLink, L.P.
  - (g) **“AML”** means AltaLink Management Ltd., general partner of ALP.
  - (h) **“AIML”** means AltaLink Investment Management Ltd., general partner of AILP and AHLP.
  - (i) **“AML Affiliates”** means any entity to which the **Code** applies pursuant to **Section 2.3** of the **Code**.
  - (j) **“AUC”** means the Alberta Utilities Commission.
  - (k) **“Body Corporate”** means a “body corporate” as defined in the **ABCA** or **CBCA**.
  - (l) **“CBCA”** means the *Canada Business Corporations Act*.
  - (m) **“Code”** means the AML Inter-Affiliate Code of Conduct.
  - (n) **“Code Acknowledgement Documentation”** means electronic acknowledgement confirming receipt, familiarity and agreement to abide by the terms of the **Code** and the **Compliance Plan**.

- (o) **“Common Director”** means a member of the Board of Directors of AltaLink who is also a member of the Board of Directors of an [Affiliate](#) of AltaLink.
- (p) **“Common Officer”** means an officer of AltaLink who is also an officer of a [Non-Utility Affiliate](#) of AltaLink.
- (q) **“Compliance Officer”** shall have the meaning ascribed thereto in Section 7.3 of the Code.
- (r) **“Compliance Plan”** shall mean the document to be prepared and updated by AltaLink pursuant to Section 7.5 of the Code.
- (s) **“Compliance Plan Committee” (CPC)** shall mean a committee which shall meet on an as-needed basis and at least two times annually, comprised of at least the following:
  - (i) Chief Financial Officer, AltaLink
  - (ii) Chief Operating Officer, AltaLink
  - (iii) Director, Internal Audit, AltaLink
  - (iv) Compliance Officer, AltaLink
- (t) **“Compliance Report”** shall have the meaning ascribed thereto in Section 7.6 of the Code. If there is a matter that ought to be brought to the attention of the AUC, then AltaLink will provide an exception report or a more detailed report on a quarterly basis.
- (u) **“Compliance Training Material”** means the material developed by the [Compliance Officer](#) prior to the end of each calendar year which will be used to ensure that all employees of AltaLink are familiar with the provisions of the Code, and this Plan. At a minimum, the material will include instructions on:
  - (i) impartial application of the AltaLink tariff;
  - (ii) equal access to Utility Services;
  - (iii) avoiding undue influence of customers with respect to Affiliates;
  - (iv) ensuring Affiliate compliance with the Code;
  - (v) appropriate use of the AltaLink name, logo, or other distinguishing characteristics;
  - (vi) protecting the confidentiality of Utility information;
  - (vii) treatment of Confidential Information related to customers; and
  - (viii) process for forwarding disputes, complaints or inquiries to the Compliance Officer.
- (v) **“Confidential Information”** means any information relating to a specific customer or potential customer of AltaLink, which information AltaLink has obtained or compiled in

the process of providing current or prospective **Utility Services** and which is not otherwise available to the public.

- (w) **“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 AltaLink of an Affiliate’s services, means the complete costs of providing the service, determined in a manner acceptable to AltaLink, acting prudently;
  - (iv) the use by an Affiliate of AltaLink’s services, means the complete costs of providing the service, determined in a manner acceptable to AltaLink, 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.
- (x) **“Emergency Services”** shall have the meaning ascribed thereto in Section 3.3.7 of the [Code](#).
- (y) **“Fair Market Value”** means the price reached in an open and unrestricted market between informed and prudent parties, acting at arm’s length and under no compulsion to act.
- (z) **“For Profit Affiliate Service”** means any service, provided on a for-profit basis:
  - (i) by AltaLink to a [Non-Utility Affiliate](#), other than a Utility Service; or
  - (ii) by a Non-Utility Affiliate to AltaLink.
- (aa) **“Information Services”** means any computer systems, computer services, databases, electronic storage services or electronic communication media utilized by AltaLink relating to AltaLink customers or AltaLink operations.
- (bb) **“Major Transaction”** means a transaction or series of related transactions within a calendar year between AltaLink 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.
- (cc) **“Materially Revised”** for the purposes of mechanisms 3 and 4 of Section 4.1, does not include any changes made as a result of an order or direction of the [AUC](#); minor administrative changes, such as change of name, title or location; or changes to the

pricing provisions of the relevant [Services Agreement](#) if such changes are supported by adequate evidence to conclude that the [For Profit Affiliate Services](#) are being acquired at a price which is no more than [Fair Market Value](#), or being provided at a price which is no less than [Fair Market Value](#).

- (dd) **“Non-Utility Affiliate”** means an [Affiliate](#) that is not a [Utility](#).
- (ee) **“Occasional Services”** shall have the meaning ascribed thereto in Section 3.3.6 of the [Code](#).
- (ff) **“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).
- (gg) **“Person”** means a “person” as defined in the [ABCA](#) or [CBCA](#).
- (hh) **“Services Agreement”** means an agreement entered into between AltaLink 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 AltaLink and each Affiliate party to the agreement that the agreement complies with the [Code](#).
- (ii) **“Shared Service”** means any service, other than a [Utility Service](#) or a [For Profit Affiliate Services](#), provided on a [Cost Recovery Basis](#) by AltaLink to an [Affiliate](#) or by an Affiliate to AltaLink.
- (jj) **“Subsidiary”** shall have the meaning ascribed thereto in Section 2 (4) of the [ABCA](#).
- (kk) **“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; or
  - (ii) “public utility” under the *Public Utilities Board Act*, R.S.A. 2000, c. P-45.
- (ll) **“Utility Service”** means a service, the terms and conditions of which are regulated by the [AUC](#), and includes services for which an individual rate, joint rate, toll, fare, charge or schedule of them, have been approved by the [AUC](#).

## 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 AltaLink are obligated to comply with this Plan and all directors, officers, employees, consultants, contractors and agents of [Affiliates](#) of AltaLink are obligated to comply with this Plan to the extent they interact with AltaLink.

## 2.4 Coming into Force

This Plan comes into force on approval by the [AUC](#).

## 2.5 Amendments to this Plan

This Plan may be reviewed and amended from time to time by the [AUC](#) on its own initiative, or pursuant to a request by any party to whom this Plan applies or by an interested party.

## 2.6 Retained for Numbering Consistency

## 2.7 Authority of the [AUC](#)

Upon approval of this Plan by the [AUC](#), such approval does not detract from, reduce or modify in any way, the powers of the [AUC](#) to deny, vary, approve with conditions, or overturn, the terms of any transaction or arrangement between AltaLink 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 [AUC](#) approvals or filings where required by statute or by [AUC](#) decisions, orders or directions.

# 3 GOVERNANCE AND SEPARATION OF [UTILITY BUSINESSES](#)

## 3.1 Governance

### 3.1.1 Separate Operations

**Policy:** AltaLink business and affairs 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 a corporate group of businesses as a whole.

#### Compliance Measures

1. The AltaLink [Compliance Officer](#) will maintain an up-to-date list of the [Common Directors](#) and [Common Officers](#) of AltaLink, (the “List of Directors and Officers”).

2. On an annual basis, the **Compliance Officer** will provide **Compliance Training Material** to the **Common Directors** and **Common Officers** of AltaLink. Within 90 days of the end of each calendar year, the **Compliance Officer** will seek and obtain written acknowledgement from all individuals identified as the **Common Officers** (excluding directors and officers who are involved in day-to-day management of AltaLink and who sign the Joint Officers or Management Team Members Certificate under Section 3.1.5) that they have received the **Compliance Training Material**, that they are familiar with the requirements of the **Code** and the **Plan**, and that their role in managing the business and affairs of AltaLink have been limited to providing corporate governance, policy, and strategic direction (the “Common Officers’ Code Acknowledgement”). This acknowledgement will also confirm that the individuals identified as the **Common Officers** 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 **Compliance Plan Committee** will review the acknowledgements prior to filing the annual Compliance Report. 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 **Compliance Plan Committee**, they will be treated as an inquiry under the **Code** (see Section 8 of this **Plan**).

### **3.1.2 Retained for Numbering Consistency**

### **3.1.3 Separate Management**

**Policy:** AltaLink will have a separate management team and separate officers from its **Non-Utility Affiliates**, but may share management team members or officers with other **Affiliated Utilities**.

#### Compliance Measures

1. Prior to either amending the membership of the AltaLink management team, or changing the AltaLink officers with any person who may be perceived as having participated in the management of any **Affiliate**, the President of AltaLink will provide a notice verbally or in writing to the **Compliance Officer**. The **Compliance Officer** will document verbal notices. If the **Compliance Officer** does not identify a concern with adherence to this policy within five working days of receiving the notice, the President may proceed with the change. If the **Compliance Officer** does identify a potential concern with adherence to this policy, he/she will advise the President within five working days and initiate an inquiry under the **Code** (see Section 8 of this **Plan**).

2. The **Compliance Officer** will maintain an up-to-date list of AltaLink management team members and officers, (the “AltaLink Management and Officers’ List”).

3. Within 90 days of the end of each calendar year, the **Compliance Plan Committee** will meet and the “AltaLink Management and Officers’ List” will be compared to the

current management team members and officers of AltaLink'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 of this Plan).

### 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 AltaLink and as a director, officer or member of a management team of an [Affiliate](#) of AltaLink 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 [Compliance Officer](#) will maintain an up-to-date listing of directors, officers, or members of the management team of AltaLink who act as directors, officers, or members of the management team of an [Affiliate](#) of AltaLink, (the "AltaLink Management and Officers' List").

2. All such officers, or members of the management team of AltaLink who also act as officers, or members of the management team of an [Affiliate](#) of AltaLink will, on commencement of such dual responsibilities, provide a signed certificate to the [Compliance Officer](#) 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 "Joint Officers or Management Team Members Certificate").

3. Within 60 days of the end of each calendar year, all such officers, or members of the management team of AltaLink who also act as officers, or members of the management team of an [Affiliate](#) of AltaLink will provide a signed certificate to the [Compliance Officer](#) 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 "Joint Officers or Management Team Members Certificate").

4. The [Compliance Officer](#) will maintain a record of the above 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 of this Plan).

## 3.2 Degree of Separation

### 3.2.1 Accounting Separation

**Policy: AltaLink shall have separate financial records and books of accounts from all [Affiliates](#).**

### Compliance Measures

1. The Vice President, Controller will ensure the accounts and records of AltaLink are kept separate from the accounts and records of all [Affiliates](#).
2. The Vice President, Controller will provide 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, (the “Financial Records Certificate”), to the [Compliance Officer](#) within 60 days of the end of each calendar year.
3. The [Compliance Officer](#) will maintain a record of the above certificate. 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 of this Plan).

#### **3.2.2 Physical Separation**

**Policy: AltaLink 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 AltaLink is located in the same building as a [Non-Utility Affiliate](#), AltaLink will institute appropriate security controlled access, through the use of receptionists, keyed locks, or card-key access.
2. The AltaLink Facilities Manager will provide a signed certificate in the form attached as Schedule “B” to this Plan attesting to the physical separation of AltaLink from all [Non-Utility Affiliates](#), (the “Physical Separation Certificate”), within 60 days of the end of each calendar year.
3. The [Compliance Officer](#) will maintain a record of the above certificate. 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 of this Plan).

#### **3.2.3 Separation of [Information Services](#)**

**Policy: Where AltaLink 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 AltaLink may only be provided in writing by the Vice President, Information Technology. A copy of each approval so issued, (the “IT Approvals”) will be provided on an annual basis to the **Compliance Officer** forthwith who will maintain a record of the above approvals.
2. The Vice President, Information Technology 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 AltaLink.
3. The Vice President, Information Technology will provide a signed certificate in the form attached as Schedule “B” to this Plan, (the “Shared Access Compliance Certificate”) attesting to the protection from unauthorized access by **Affiliates** to shared Information Services, to the **Compliance Officer** within 60 days of the end of the each calendar year.
4. The **Compliance Officer** will maintain a record of the above approvals and certificate. Any failure to provide a certificate as described in paragraph 1 and 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 of this Plan).
5. The **Compliance Officer** will review the access control lists and the IT Approvals for all **Information Services** shared with an **Affiliate** of AltaLink and will provide a signed certificate in the form attached as Schedule “B” to this Plan, (the “Compliance Officer Certificate”) attesting that he/she has reviewed all Information Services shared with an **Affiliate** of AltaLink and that all access by **Affiliates** of AltaLink to **Information Services** is in accordance with Section 3.2.3 of the **Code**.
6. Any failure to provide a certificate as described in paragraph 5 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 of this Plan).

### **3.2.4 Financial Transactions with **Affiliates****

**Policy: Any loan, investment, or other financial support provided by AltaLink 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 Vice President, Treasurer 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 Vice President, Treasurer will provide a signed certificate in the form attached as Schedule “B” to this Plan 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 certificate will be provided to the [Compliance Officer](#) within 60 days of the end of each calendar year.

3. The [Compliance Officer](#) will maintain a record of the above certificate. 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 of this Plan).

### 3.3 Resource Sharing

#### 3.3.1 Sharing of Employees

**Policy:** AltaLink will 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. Before sharing employees with an [Affiliate](#), the written permission of the appropriate Vice-President of AltaLink must be provided to the Senior Vice President, Human Resources, unless such sharing is already documented as a [Shared Services](#) under a [Services Agreement](#).

2. The Senior Vice President, Human Resources will retain the written permission on file, and provide quarterly reports (the “Shared and Transferred Employees Report”) to the [Compliance Officer](#) on all instances of sharing AltaLink employees with [Affiliates](#) which have occurred, or continued during the reporting period, other than employee sharing documented as a [Shared Service](#) under a [Service Agreement](#). The report will identify if the required Vice President approval was in place before the sharing took place. The [Compliance Officer](#) will review the “Shared and Transferred Employees Report” and will immediately notify the [Compliance Plan Committee](#) of any instances of employees being shared with [Affiliates](#) without the signed permission of the appropriate Vice President or any instances of employees being shared in advance of the VP approval being granted.

3. Within 90 days of the end of each calendar year, the [Compliance Plan Committee](#) will review the “Shared and Transferred Employees Report”. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the [Compliance Plan Committee](#) for changes to the manner in which employees are shared with [Affiliates](#).

4. Any recommendations for changes to the manner in which employees are shared with [Affiliates](#) will be approved by the [Compliance Plan Committee](#). If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the [Code](#) (see Section 8 of this Plan).

### 3.3.2 Transferring of Employees

**Policy:** Where an employee is being transferred from AltaLink to an **Affiliate**, the appropriate Vice President 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 Vice President will obtain the necessary confidentiality agreement prior to the transfer of the employee.

#### Compliance Measures

1. The appropriate AltaLink Vice President will review all transfers of employees from his/her responsibility to an **Affiliate**, and identify if the employee had access to **Confidential Information** while employed with AltaLink. If the employee did have access to **Confidential Information**, the Vice President will obtain the necessary signed confidentiality agreement prior to the transfer of the employee, and will provide the signed agreement to the Senior Vice President, Human Resources.
2. The Senior Vice President, Human Resources will retain the confidentiality agreement on file and provide a quarterly report, (the “Shared and Transferred Employees Report”) to the **Compliance Officer** on all instances of AltaLink 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 **Compliance Officer** will review the quarterly report on employee transfers and will immediately notify the **Compliance Plan Committee** of any instances of employees being transferred to **Affiliates** without the signed confidentiality agreement in place before the transfer took place.
3. Within 90 days of the end of each calendar year, the **Compliance Plan Committee** will review the “Shared or Transferred Employees Report”. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the **Compliance Plan Committee** for changes to the manner in which employees are transferred to **Affiliates**.
4. Any recommendations for changes to the manner in which employees transfer to **Affiliates** will be approved by the **Compliance Plan Committee**. If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the **Code** (see Section 8 of this Plan).

### 3.3.3 Sharing of Assets

**Policy:** Plant, assets and equipment of AltaLink shall be separated in ownership and separated physically from the plant, assets and equipment of **Non-Utility Affiliates**. Utility Affiliates may share ownership and may physically share office space, equipment, rights-of-way and other assets on a **Cost Recovery Basis**.

### Compliance Measures

1. The Chief Operating Officer of AltaLink will maintain an inventory of all plant, assets and equipment shared with [Affiliates](#).
2. The Chief Operating Officer will ensure that no plant, assets and equipment are shared with [Non-Utility Affiliates](#).
3. Within the first 60 days of the end of each calendar year, the Chief Operating Officer will provide an annual report to the [Compliance Officer](#) of all plant, assets and equipment shared with [Utility Affiliates](#), (the “Chief Operating Officer Report to CPC”) identifying the methods used to ensure that such sharing was done on a [Cost Recovery Basis](#), the percentage of costs borne by each party and that these percentages were appropriate.
4. The [Compliance Plan Committee](#) will review the “Chief Operating Officer Report to CPC” within 90 days of the end of each 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 [Compliance Plan Committee](#) for changes to the methods used to ensure that plant, assets and equipment are shared with [Utility Affiliates](#) on a [Cost Recovery Basis](#).
5. Any recommendations for changes to the methods used to ensure that plant, assets and equipment are shared with [Utility Affiliates](#) on a [Cost Recovery Basis](#) will be approved by the [Compliance Plan Committee](#). If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the [Code](#) (see Section 8 of this Plan).

#### **3.3.4 Shared Services Permitted**

**Policy:** AltaLink may obtain [Shared Services](#) from, or provide [Shared Services](#) to, an [Affiliate](#) where it is prudent to do so, provided that each of AltaLink and the Affiliates bear its proportionate share of costs.

### Compliance Measures

1. The Compliance Officer will maintain an inventory of all [Shared Services](#) obtained from, or provided to an [Affiliate](#), (the “Compliance Officer Inventory Report”).
2. All new or revised [Shared Services](#) will be documented by a [Services Agreement](#).
3. Prior to receiving a new or revised [Shared Service](#), the [Services Agreement](#) will be prepared by the appropriate AltaLink employee and presented to the [Compliance Plan Committee](#) for review and approval. A business case identifying that it is prudent to obtain Shared Services will be prepared if the annual value of the Shared Services is estimated to be greater than \$50,000. The business case will be presented to the [Compliance Plan Committee](#) for review and approval.

4. Prior to providing a **Shared Service**, the **Services Agreement** will be prepared by the appropriate AltaLink employee and presented to the **Compliance Plan Committee** for review and approval.

5. The **Shared Services** will be reviewed by the **Compliance Plan Committee** within 90 days of the end of each calendar year. The results of the review will be reflected in the minutes of the meeting. Any **Shared Service** which no longer meets 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:** AltaLink 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 Officer** 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 90 days of the end of each calendar year, the **Compliance Officer** will provide to the **Compliance Plan Committee** the annual report of **Occasional Services** provided by AltaLink to an **Affiliate** and vice versa, (the “Compliance Officer Inventory Report”) indicating whether the services have been provided on a cost recovery basis and have been properly documented.

3. The **Compliance Plan Committee** will review the “Compliance Officer Inventory Report” prior to filing the annual Compliance Report. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the **Compliance Plan Committee** for changes to the provision, receipt and documentation of **Occasional Services**.

4. Any recommendations for changes to the provision, receipt and documentation of **Occasional Services**, will be approved by the **Compliance Plan Committee**. If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the **Code** (see Section 8 of this Plan).

### **3.3.7 Emergency Services Permitted**

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

## Compliance Measures

1. The **Compliance Officer** 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**.
2. Within 90 days of the end of each calendar year, the **Compliance Officer** will provide an annual report of Emergency Services provided by AltaLink to an **Affiliate** and vice versa, (the “Compliance Officer Inventory Report”), indicating whether the services have been provided on a cost recovery basis, have been properly documented, to the **Compliance Plan Committee**.
3. The **Compliance Plan Committee** will review the “Compliance Officer Inventory Report” prior to filing the annual **Compliance Report**. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the **Compliance Plan Committee** for changes to the provision, receipt and documentation of Emergency Services.
4. Any recommendations for changes to the provision, receipt and documentation of Emergency Services, will be approved by the **Compliance Plan Committee**. If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the **Code** (see Section 8 of this Plan).

## **4 TRANSFER PRICING**

### **4.1 For Profit Affiliate Services**

**Policy:** AltaLink 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 **Compliance Officer** will maintain an inventory of all **For Profit Affiliate Services** obtained from, or provided to an **Affiliate**.
2. All existing, new or revised **For Profit Affiliate Services** will be documented by a **Services Agreement**, duly executed by AltaLink employees with the appropriate signing authority.
3. Prior to implementing a new or revised **For Profit Affiliate Service** to receive services from an **Affiliate**, the **Services Agreement**, and a business case, if applicable, identifying that it is prudent to obtain the **For Profit Affiliate Service** will be reviewed and approved by the **Compliance Plan Committee**. A business case identifying that it is prudent to obtain the For Profit Affiliate Service will be prepared if the annual value of the For Profit Affiliate Service is estimated to be greater than \$50,000. The business case

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 revised [For Profit Affiliate Service](#) to provide services to an [Affiliate](#), the [Services Agreement](#), and a description of the process used to determine that the [For Profit Affiliate Service](#) is to be provided at a price which is no less than [Fair Market Value](#) will be reviewed and approved by the [Compliance Plan Committee](#). [Fair Market Value](#) will be determined in a manner consistent with Section 4.5 of the Code.

5. The [For Profit Affiliate Services](#) between AltaLink and an [Affiliate](#) will be reviewed by the [Compliance Plan Committee](#) within 90 days of the end of each calendar year. 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](#).

## **4.2 Pricing [For Profit Affiliate Services](#)**

### **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 AltaLink to an [Affiliate](#) or by an [Affiliate](#) to AltaLink will be at [Fair Market Value](#), subject to the provisions of Section 4.6 of the Code.

#### Compliance Measures

1. The Chief Operating Officer of AltaLink will approve any asset transfers, mortgages, leases, or other dispositions by AltaLink to an [Affiliate](#), or by an [Affiliate](#) to AltaLink, and will ensure that such asset transfers are at [Fair Market Value](#), subject to the provisions of Section 4.6 of the Code.

2. Within 60 days of the end of each calendar year, the Chief Operating Officer will provide an annual report to the [Compliance Officer](#) detailing any asset transfers between AltaLink and [Affiliates](#), (the “Chief Operating Officer Report to CPC”). 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.

3. Within 90 days of the end of each calendar year, the [Compliance Plan Committee](#) will review the “Chief Operating Officer Report to CPC”. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any

recommendations by the [Compliance Plan 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 for changes to the methods used to ensure that asset transfers between AltaLink and [Affiliates](#) are priced at [Fair Market Value](#), subject to the provisions of Section 4.6 of the Code, will be approved by the [Compliance Plan Committee](#). If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the [Code](#) (see Section 8 of this Plan).

#### **4.5 Retained for Numbering Consistency**

#### **4.6 Asset Transfers Between Utilities for [Operational Efficiencies](#)**

**Policy:** AltaLink may obtain [Operational Efficiencies](#) through the use of common facilities, combined purchasing power or other cost saving procedures by transferring individual assets or groups of assets used in [Utility](#) operations between AltaLink and [Utility Affiliates](#) on a [Cost Recovery Basis](#).

#### Compliance Measures

1. The appropriate Vice Presidents will approve asset transfers for operational efficiencies. The Chief Operating Officer will ensure that the transfer of individual assets or groups of assets used in Utility operations between AltaLink and [Utility Affiliates](#), will be done on a [Cost Recovery Basis](#).

2. Within 60 days of the end of each calendar year, the Chief Operating Officer will provide a report to the [Compliance Officer](#), (the “Chief Operating Officer Report to CPC”) detailing any arrangements for obtaining Operational Efficiencies between AltaLink and [Utility Affiliates](#). The report will describe the manner in which the asset transfers were determined to be on a [Cost Recovery Basis](#).

3. Within 90 days of the end of each calendar year, the [Compliance Plan Committee](#) will review the “Chief Operating Officer Report to CPC”. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the [Compliance Plan Committee](#) for changes to the methods used to ensure that asset transfers are on a [Cost Recovery Basis](#).

4. Any recommendations for changes to the methods used to ensure that asset transfers between AltaLink and [Affiliates](#) are valued on a [Cost Recovery Basis](#) will be approved by the [Compliance Plan Committee](#). If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the [Code](#) (see Section 8 of this Plan).

## **5 EQUAL TREATMENT WITH RESPECT TO UTILITY SERVICES**

### **5.1 Impartial Application of Tariff**

**Policy:** AltaLink 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:** AltaLink 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 AltaLink.

See the Compliance Measures in Section 7.2 of this Plan.

### **5.3 No Undue Influence**

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

See the Compliance Measures in Section 7.2 of this Plan.

### **5.4 Affiliate Activities**

**Policy:** AltaLink 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:** AltaLink shall take reasonable steps to ensure that an Affiliate does not use AltaLink's name, logo or other distinguishing characteristics in a manner which would mislead consumers as to the distinction or lack of distinction between AltaLink and the 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, AltaLink shall not provide Non-Utility Affiliates with information relating to the planning, operations, finances or strategy of AltaLink or an Affiliated Utility before such information is publicly available.

See the Compliance Measures in Section 7.2 of this Plan.

## 6.2 Management Exception

**Policy:** Officers of AltaLink 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, AltaLink 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:** AltaLink 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 Officer 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 AltaLink 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 by management to the Compliance Officer, 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 Officer** will verify the circumstances and, if appropriate, will provide an authorization in writing prior to the information being released.

4. The **Compliance Officer** of AltaLink will prepare a signed certificate in the form attached as Schedule “B” to this Plan attesting that, they have not released **Confidential Information** related to a customer or prospective customer without receiving the prior written consent of the customer or prospective customer, (the “Compliance Officer Certificate”) within 60 days of the end of each calendar year.

5. The **Compliance Officer** will maintain a record of the above certificate. 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 of this Plan).

#### 6.4 Aggregated **Confidential Information**

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

##### Compliance Measures

1. If management proposes to disclose aggregated **Confidential Information** to an **Affiliate**, the **Compliance Officer** 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 Officer** 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 Officer** will prepare a signed certificate in the form attached as Schedule “B” to this Plan attesting that they have not released aggregated **Confidential Information** to an **Affiliate** prior to making such information publicly available, (the “Compliance Officer Certificate”) within 60 days of the end of each calendar year.

4. The **Compliance Officer** will maintain a record of the above 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 of this Plan).

## 7 COMPLIANCE MEASURES

### 7.1 Responsibility for Compliance

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

See the Compliance Measures in Section 7.2 of this Plan.

### 7.2 Communication of Code and Compliance Plan

**Policy:** AltaLink 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 AltaLink web site.

#### Compliance Measures

1. Each director, officer, employee, consultant, contractor, agent and Affiliate of AltaLink will receive a copy of the Code on commencement of their relationship with AltaLink.
2. For AltaLink employees (excluding the Common Directors and Common Officers), an electronic acknowledgement that the employee has received, and is familiar with, the Code and this Compliance Plan, (the “Code Acknowledgement Documentation”) will be obtained on the commencement of employment with AltaLink. The electronic acknowledgement will be maintained by Training Services.
3. For AltaLink consultants, contractors, and agents, the responsible employee of AltaLink will provide a copy of the Code to the affected party, and will obtain a written acknowledgement from the consultant, contractor, or agent that they have received a copy of the Code, are familiar with its contents, and will abide by its requirements.
4. The Compliance Officer will provide copies of the Code and this Compliance Plan to all Affiliates of AltaLink on an annual basis, addressed to a senior officer of the Affiliate.
5. Within 60 days of the end of each calendar year, each AltaLink employee (excluding Common Directors and Common Officers of AltaLink) will confirm (through an electronic acknowledgement) that they have received the current Compliance Training Material, a current copy 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 “Code Acknowledgement Documentation”). The electronic acknowledgements will be maintained by Training Services.

6. The **Compliance Officer** will provide a written report to the **Compliance Plan Committee**, identifying which, if any, AltaLink employees have not completed the “Code Acknowledgement Documentation”. The **Compliance Plan Committee** will review the written report prior to filing the annual **Compliance Report**.

7. The **Compliance Officer** will post the **Code** and the **Compliance Plan** on the AltaLink web site.

### **7.3 Retained for Numbering Consistency**

### **7.4 Responsibilities of the Compliance Officer**

**Policy: The AltaLink Compliance Officer will discharge the responsibilities detailed in Section 7.4 of the Code.**

#### Compliance Measures

1. The responsibilities of the **Compliance Officer** are described in Section 7.4 of the Code as amended from time to time.

2. Within 90 days of the end of each calendar year, the **Compliance Officer** will prepare a report for review by the **Compliance Plan Committee** detailing the manner in which he/she has discharged the above responsibilities, (the “Compliance Officer Report to the CPC”). The report will be prepared in a manner consistent with Section 7.4 of the **Code**. The records required to be maintained by the **Compliance Officer** 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. Prior to filing the annual **Compliance Report**, the **Compliance Plan Committee** will review the “Compliance Officer Report to the CPC”. The results of the review, and any recommendations by the **Compliance Plan Committee** for improvements to the manner in which the **Compliance Officer** discharges the above responsibilities will be detailed in the minutes of the meeting.

4. If any instances of non-compliance with this policy are identified they will be treated as an inquiry under the **Code** (see Section 8 of this Plan).

### **7.5 The Compliance Plan**

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

#### Compliance Measures

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

## 7.6 The **Compliance Report**

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

### Compliance Measures

1. The **Compliance Report** will meet the requirements of Section 7.6 of the Code as amended from time to time.

## 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 **Compliance Officer** will keep a record of all written (or e-mailed) disputes, complaints or inquiries from within AltaLink 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 **Compliance Officer** will keep the necessary records of disputes, complaints, or inquiries.

2. The **Compliance Officer** will ensure that appropriate instructions for sending disputes, complaints, or inquiries to the Compliance Officer are posted on the AltaLink website.

3. The **Compliance Officer** will ensure that a description of how the **Compliance Officer** will investigate disputes, complaints or inquiries (in a manner consistent with the Code) is posted on the AltaLink website.

## 8.2 Processing by Utility

### 8.2.1 **Compliance Officer Acknowledgment**

**Policy:** The **Compliance Officer** 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 **Compliance Officer** 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 AltaLink to the issues identified in the submission. AltaLink'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 AUC**

**Policy:** The **Compliance Officer** shall ensure that instructions on how to refer disputes to the AUC are contained on the AltaLink website.

## Compliance Measures

1. Instructions for referring disputes to the **AUC** will be posted on the AltaLink 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 Amended Plan comes into effect upon approval by the **AUC**.

## 11 SCHEDULE A – OFFICER’S CERTIFICATE

To: The Alberta Utilities Commission

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

1. My position with AltaLink 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 AltaLink Inter-Affiliate Code of Conduct (the Code).
3. I have read the Code, the Compliance Plan of AltaLink dated \_\_\_\_\_ and the Compliance Report of AltaLink 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 AltaLink, or by any Affiliate of AltaLink (including any director, officer, employee, consultant, contractor or agent of the Affiliate) with respect to any interaction between an Affiliate and AltaLink that is not fully and accurately described in the Compliance Report.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## 12 SCHEDULE B – COMPLIANCE REPORT

To: The AltaLink Compliance Officer and AltaLink Compliance Committee

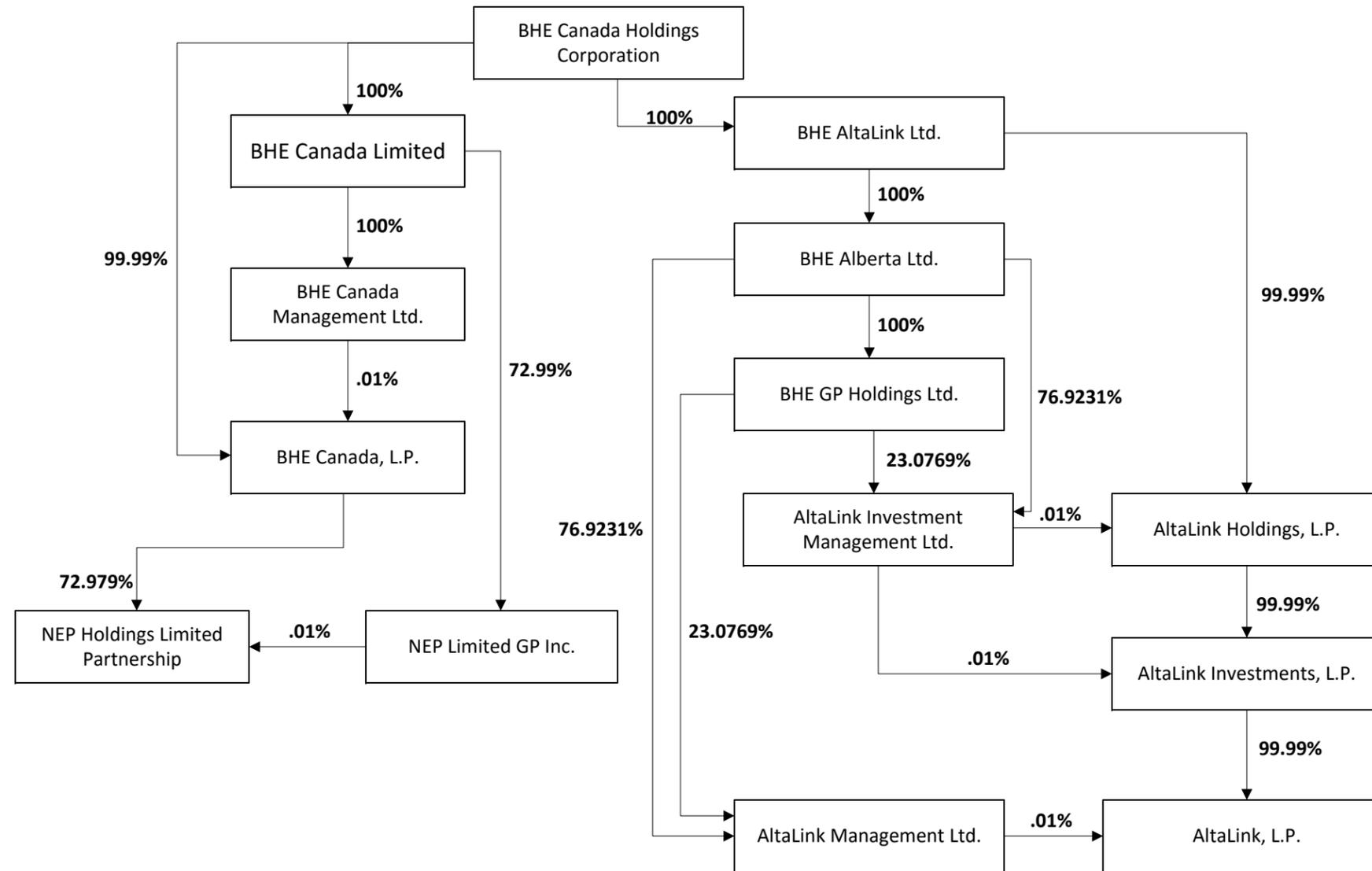
I, \_\_\_\_\_ of the City of \_\_\_\_\_, in the Province of Alberta, acting in my position as an officer of AltaLink and not in my personal capacity, to the best of my knowledge do hereby certify as follows:

1. Section \_\_\_\_\_ of the AltaLink Compliance Plan requires me to provide this Compliance Certificate on or before \_\_\_\_\_.
2. My position with AltaLink 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 \_\_\_\_\_, AltaLink 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: \_\_\_\_\_



## APPENDIX 4

### List of Affiliates

**Description:** A list of all Affiliates with whom AltaLink transacted business in the Reporting Period, including the business address, list of officers and directors and a description of the Affiliates' business activities. Information is presented for the end of the Reporting Period.

1. **AltaLink Investment Management Ltd.**  
1900, 520 – 3<sup>rd</sup> Avenue S.W.  
Calgary, Alberta  
T2P 0R3

#### Description of Business:

AltaLink Investment Management Ltd. is the general partner of AltaLink Investments, L.P. and AltaLink Holdings, L.P. and carries on the business of AltaLink Investments L.P. and AltaLink Holdings L.P.

#### List of Directors, Officers and Management Team Members

##### Directors:

Jeff Austin  
Calvin Haack  
Byron Dudley

##### Officers:

Calvin Haack  
Jeff Austin  
Steven R. Evans  
Paul J. Leighton

President  
Treasurer  
V.P. Taxation  
V.P. Corporate Secretary

2. **AltaLink Investments, L.P. and AltaLink Holdings L.P.**  
1900, 520 – 3<sup>rd</sup> Avenue S.W.  
Calgary, Alberta  
T2P 0R3

#### Description of the Business:

The business of AltaLink Investments, L.P. is limited to directly or indirectly participating in the transmission of electricity, the ownership or operation of electrical transmission lines and infrastructure. AltaLink Holdings, L.P. is the sole limited partner of AltaLink Investments, L.P. AltaLink Investments, L.P. is the sole limited partner of AltaLink, L.P. AltaLink Investments, L.P. provided services to BHE Canada Holdings Corporation during the Reporting Period.

#### List of Directors, Officers and Management Team Members

AltaLink Investments, L.P. and AltaLink Holdings L.P. each have no directors, officers or management.

#### The limited partner of AltaLink Holdings, L.P. is:

BHE AltaLink Ltd.

3. **BHE Canada Holdings Corporation**  
2700, 3<sup>rd</sup> Avenue SE  
Calgary, Alberta T2A 7W4

**Description of the Business:**

BHE Canada Holdings Corporation is holding corporation and an indirect wholly-owned subsidiary of Berkshire Hathaway Energy Company (BHE) engaged in energy related investments in Canada.

**List of Directors, Officers and Management Team Members**

<b>Directors:</b>	<b>Officers:</b>	
Douglas L. Anderson	Scott W. Thon	President*
Patrick J. Goodman	Douglas L. Anderson	Executive V.P. and Secretary
Scott W. Thon	James C. Galt	Treasurer
	Steven R. Evans	V.P. Taxation

\*separate management exception (Code Section 3.1.4)

4. **BHE Canada Limited**  
2700, 3<sup>rd</sup> Avenue SE  
Calgary, Alberta T2A 7W4

**Description of the Business:**

BHE Canada Limited is a holding corporation engaged in the management of energy related investments in Canada including BHE Canada L.P. (though its ownership of the general partner, BHE Canada Management Ltd.) and NEP Holdings Limited Partnership (through its ownership of the general partner, NEP GP Limited Inc.).

**List of Directors, Officers and Management Team Members**

<b>Directors:</b>	<b>Officers:</b>	
Scott Thon	Gary Hart	Managing Director
David Koch	William Christensen	VP, Business Development
Gary Hart	Darin Watson	VP, Engineering, Construction & Operations

5. **BHE Canada, L.P.**  
2700, 3<sup>rd</sup> Avenue SE  
Calgary, Alberta T2A 7W4

**Description of the Business:**

BHE Canada, L.P. (through its general partner, BHE Canada Management Ltd.) is engaged in energy related investments in Canada.

## List of Directors, Officers and Management Team Members

### Directors:

Scott Thon  
David Koch  
Gary Hart

### Officers:

Gary Hart  
William Christensen  
Darin Watson

Managing Director  
VP, Business Development  
VP, Engineering, Construction & Operations

## APPENDIX 5

### List of Service Agreements

**Description:** Appendix 4 contains a list of all service agreements between AltaLink and its Affiliates which were in effect during the Reporting Period

#### **Advisory and Professional Services**

- Service Agreement between AltaLink Management Ltd. and AltaLink Investments Management Ltd. dated effective October 30, 2012.
- Master Services Agreement between AltaLink Management Ltd. and BHE Canada Holdings Corporation dated effective March 13, 2015. BHE Canada Limited has participated under this MSA pursuant to a Request for Services form dated January 1, 2016.
- Professional Services Agreement between AltaLink, L.P. and BHE Canada, L.P. dated January 1, 2016.

## APPENDIX 6

### Major Transactions

The following lists and provides a detailed description of all Major Transactions between AltaLink and Affiliates. A Major Transaction is a transaction or series of related transactions in respect of 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 fiscal year of \$500,000 or more. Also included is information in respect of cost reimbursement from AltaLink, L.P. to its general partner, AltaLink Management Ltd., under the terms of the Limited Partnership Agreement.

#### 1. **Services Agreement - AltaLink Management Ltd. and BHE Canada Holdings Corporation**

During the Reporting Period, AltaLink Management Ltd. provided advisory and professional services to BHE Canada Holdings Corporation under the terms of the Master Services Agreement dated March 13, 2015. Services include accounting, financial, treasury, business development, regulatory, operational, administrative and other. The aggregate value of services and other charges provided by AML under this Master Services Agreement for the Reporting Period, was approximately \$1,122,000. This amount includes approximately \$842,000 which is comprised of \$596,000 in HR, IT and business development services, \$149,000 in shared facility costs and \$97,000 in allocations of employee benefits, charged through BHE Canada Limited pursuant to its Request for Services participation under the Master Services Agreement. BHE Canada Limited was operationalized in January 2016 with the transfer of existing business development personnel from AltaLink Management Ltd. See Table 1 below.

#### 2. **Cost Reimbursement under Limited Partnership Agreement**

Pursuant to the terms of the Limited Partnership Agreement for AltaLink, L.P., the general partner AltaLink Management Ltd. ("AML") provides administrative and operational services to ALP on a cost reimbursement basis. The employees that provide the administrative and operational services are employed by AML, and ALP has indemnified AML for all expenses and liabilities associated therewith. Services are invoiced and settled on a semi-monthly basis. Operating and capital expenses included approximately \$134 million of salaries and benefits that have been invoiced from AML for the Reporting Period at exchange amounts. See Table 2 below.

**Table 1 - For Profit Affiliate Services under the Master Service Agreement between AML and BHECHC**

<b>For the Year Ending Dec. 31, 2016 (in 000's)</b>			
<b>Revenues</b>	<b>Description</b>	<b>Transaction with</b>	<b>2016 Actuals</b>
Accounting	Accounting Services	BHE Canada Hold. Corp	\$177
Treasury	Treasury Services	BHE Canada Hold. Corp	\$57
Human Resources	HR Services	BHE Canada Hold. Corp	\$46
Facilities	Facilities Services	BHE Canada LP	\$149
Human Resources	HR Services	BHE Canada LP	\$33
IT	IT Services	BHE Canada LP	\$61
Business Development	Labour provided to review BD opportunities	BHE Canada LP	\$502
Employee Benefits	Allocation of benefits	BHE Canada Ltd	\$97

**Table 2 - For Profit Affiliate Services under the Service Agreement between AML and ALP**

<b>For the Year Ending Dec. 31, 2016 (in 000's)</b>			
<b>Expenses</b>	<b>Description</b>	<b>Transaction with</b>	<b>2016 Actuals</b>
Payroll	Payroll services	AML	\$133,739

## APPENDIX 7

### Affiliate Party Transaction Summary

**Description:** A summary overview of the types of transactions, other than Major Transactions or Utility Services, provided between AltaLink and its Affiliates containing a general description of the transactions and services, the parties involved and the approximate aggregate value.

- 1. Services Agreement - AltaLink Management Ltd. and AltaLink Investments Management Ltd.**  
During the Reporting Period, AltaLink Management Ltd. provided advisory and professional services to AltaLink Investments Management Ltd. under the terms of a Services Agreement dated October 30, 2012. Services include accounting, financial, treasury, business development, regulatory, operational, administrative and other provided to AltaLink Investments Management Ltd. on behalf of both AltaLink Investments, L.P. and AltaLink Holdings, L.P. The value of these services for the Reporting Period was approximately \$176,000. See Table 1 below.
- 2. Services Agreement – BHE Canada, L.P. and AltaLink, L.P.**  
During the Reporting Period, AltaLink, L.P. acquired advisory and professional services through BHE Canada, L.P. under the terms of a Professional Services Agreement between AltaLink, L.P. and BHE Canada, L.P. dated January 1, 2016. Services included hearing, application and litigation support. The value of services provided to AltaLink, L.P. for the Reporting Period was approximately \$15,000. See Table 2 below.

Table 1 - For Profit Affiliate Services under the Service Agreement between AML and AIML

For the Year Ending Dec. 31, 2016 (in 000's)			
Revenues	Description	Transaction with	2016 Actuals
Accounting	Accounting Services	AHLP	\$6
Accounting	Accounting Services	AIML	\$1
Accounting	Accounting Services	AILP	\$40
Treasury	Treasury Services	AILP	\$108
Legal	Legal Services	AILP	\$7
Operations & other	Management Services	AILP	\$14

Table 2 - For Profit Affiliate Services under the Professional Service Agreement between ALP and BHE Canada LP

For the Year Ending Dec. 31, 2016 (in 000's)			
Expenses	Description	Transaction with	2016 Actuals
Project	Hearing Support	BHE Canada LP	\$5
Regulatory	Application Support	BHE Canada LP	\$8
Legal	Litigation Support	BHE Canada LP	\$2

## Appendix 8

### AltaLink

#### 2016 Employee Transfer, Temporary Assignments and Secondments between AltaLink and its Affiliates

##### Employees Transferring from AltaLink L.P. to Affiliates

Job Title	Transferred To	Date of Transfer	Type of Transfer/Reason
VP, Business Development	BHE Canada Ltd.	2016/01/01	Career Opportunity
Director, Business Development	BHE Canada Ltd.	2016/01/01	Career Opportunity
Senior Business Development Analyst	BHE Canada Ltd.	2016/01/01	Career Opportunity
VP, Corp Dev & Bus Partnerships	BHE Canada Ltd.	2016/01/01	Career Opportunity
VP, Engineering, Construction & Ops	BHE Canada Ltd.	2016/03/01	Career Opportunity
Executive Assistant	BHE Canada Ltd.	2016/03/16	Career Opportunity

##### Employees Transferring from Affiliates to AltaLink L.P.

Job Title	Transferred To	Date of Transfer	Type of Transfer/Reason
Manager, Treasury	AltaLink L.P.	2016/11/16	Career Opportunity

## APPENDIX 9

### OFFICER'S CERTIFICATE

To: The Alberta Utilities Commission

I, Dennis Frehlich, of the City of Calgary, in the Province of Alberta, acting in my position as an officer of AltaLink Management Ltd. ("AltaLink") and not in my personal capacity, to the best of my knowledge do hereby certify as follows:

1. My position with AltaLink is Executive Vice President & Chief Operating Officer, 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 AltaLink Management Ltd. Inter-Affiliate Code of Conduct (the "Code").
3. I have read the Code, the AltaLink Compliance Plan effective November 15, 2005 and updated December 1, 2014 and the Compliance Report of AltaLink for the 2016 reporting period (the "Compliance Report").
4. 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 AltaLink, or by any Affiliate of AltaLink (including any director, officer, employee, consultant, contractor or agent of the Affiliate) with respect to any interaction between an Affiliate and AltaLink that is not fully and accurately described in the Compliance Report.

Name: (Original signed by Dennis Frehlich)

Title: EVP & Chief Operating Officer

Date: April 25, 2017

## Appendix 9

### OFFICER'S CERTIFICATE

To: The Alberta Utilities Commission

I, Zora Lazic, of the City of Calgary, in the Province of Alberta, acting in my position as an officer of AltaLink Management Ltd. ("AltaLink") and not in my personal capacity, to the best of my knowledge do hereby certify as follows:

1. My position with AltaLink is SVP, Law & Regulatory, General Counsel and Compliance Officer, 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 AltaLink Management Ltd. Inter-Affiliate Code of Conduct (the "Code").
3. I have read the Code, the AltaLink Compliance Plan effective November 15, 2005 and updated December 1, 2014 and the Compliance Report of AltaLink for the 2016 reporting period (the "Compliance Report").
4. 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 AltaLink, or by any Affiliate of AltaLink (including any director, officer, employee, consultant, contractor or agent of the Affiliate) with respect to any interaction between an Affiliate and AltaLink that is not fully and accurately described in the Compliance Report.

Name: (Original signed by Zora Lazic)

Title: SVP, Law & Regulatory, General Counsel  
and Compliance Officer

Date: April 25, 2017