

**ATCO GROUP INTER-AFFILIATE CODE OF CONDUCT**  
**ATCO ELECTRIC COMPLIANCE REPORT**  
**for the 2008 Reporting Period**

**1.0 INTRODUCTION**

The ATCO Group Inter-Affiliate Code of Conduct (the “Code”) requires the Compliance Officer for each Utility to conduct an annual review of compliance with the Compliance Plan (the “Plan”) and to prepare an annual Compliance Report (the “Report”). The Report will be filed with the Alberta Utilities Commission (the “AUC”), formerly the Alberta Energy and Utilities Board (the “EUB” or the “Board”), within 120 days of the fiscal year end of the Utility. The ATCO Electric Compliance Report is for the fiscal year from January 1, 2008 to December 31, 2008.

ATCO Electric provides Utility Services to some Affiliates and these services are subject to AUC-regulated rates, terms and conditions. Information on these transactions is not required to be reported in the Compliance Report under the Code.

The 2008 Compliance Report will include:

- (a) a copy of the Compliance Plan and any amendments thereto;
- (b) a corporate organization chart for the Utility and its Affiliates showing 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 as at December 31, 2008, 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 of the Code, 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;
- (j) an Affiliated Party Transactions Summary;

**ATCO Electric 2008 Affiliate Compliance Report**

- (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 certificates 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.

The Report also contains information outlined in the direction found in Decision 2004-026<sup>1</sup>:

*“Therefore, the Board directs the ATCO Utilities to report in their annual Code compliance filings all consents granted pursuant to Section 13.3(a) including the basis for and amount of any charges associated with the consent.”*

An additional direction was provided in Decision 2004-055<sup>2</sup>.

*“Therefore, the Board directs the ATCO Utilities to report in their annual Code of Conduct compliance filings all instances where the parties agreed through a Statement of Work, that IP ownership rights or privileges with respect to the product or output of the Statement of Work would reside in whole or in part with ATCO I-Tek.”*

## **2.0 ATCO ELECTRIC COMPLIANCE REPORT**

### **(a) Compliance Plan**

The Compliance Plan in effect during the Reporting Period is provided in Appendix 1.

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

A corporate organization chart indicating ownership percentages and the relationships within the ATCO Group of Companies is provided in Appendix 2. The organization chart represents the corporate organization which existed at the end of the Reporting Period. ATCO Electric and its Affiliates are highlighted on the chart.

### **(c) List of Affiliates**

A list of the Affiliates with whom ATCO Electric transacted business is provided in Appendix 3a. The information includes the business address, list of officers and directors as at December 31, 2008 for ATCO Electric and its Affiliates and a description of the Affiliates' business activities.

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<sup>1</sup> Decision 2004-026, pp 13-14

<sup>2</sup> Decision 2004-055, pp 3-4

**ATCO Electric 2008 Affiliate Compliance Report**

ATCO Electric has reviewed its directors and officers in terms of ATCO Electric's Compliance requirements.

The Common Directors for 2008 were:

- L.M. Charlton
- J.W. Simpson
- N.C. Southern
- R.D. Southern
- K.M. Watson

The Common Officers for 2008 were:

- D.A. DeChamplain
- C. Gear
- S.W. Kiefer
- S.F. Policicchio
- N.C. Southern
- P. Spruin

The detailed results of ATCO Electric's review are provided in the following Appendices:

- Appendix 3b contains a list of the directors and officers for the ATCO Utilities and whether they are also directors or officers for the ATCO Utilities' affiliates.
- Appendix 3c contains a list of the directors and officers for the ATCO Utilities who have obligations to meet as defined in the requirements contained in the ATCO Utilities' Plans for Section 3.1 – Governance.

**(d) List of Services Agreements**

Appendix 4 contains a diagram of all transactions between ATCO Electric and Affiliates that are documented in Services Agreements. Details on each of these transactions are contained in Appendix 5 (Major Transactions) and Appendix 6 (Transactions Summary).

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

ATCO Electric is confident it has complied with the ATCO Group Inter-Affiliate Code of Conduct during 2008. ATCO Electric continues to operate in compliance with all provisions of the Code and is committed to the form, spirit and intent of the Code.

During 2008 the Affiliate compliance procedures were improved and Services Agreements with Affiliates were reviewed and amended as necessary. The directors, officers, employees, consultants, contractors, agents and Affiliates of ATCO Electric were informed of the Code's content and their associated responsibilities.

ATCO Electric is committed to transparency about Affiliate transactions and compliance with the Code. All instances of non-compliance with the Code will continue to be reported in the quarterly Affiliate Exception Reports that are filed with the AUC.

### ATCO Electric 2008 Affiliate Compliance Report

The requirements for ensuring ATCO Electric's compliance with the Code have been met during 2008. There are a few items concerning Code compliance that were reported to the AUC in the 2008 quarterly Exception Reports:

- Microfiche containing historical Service Order information for ATCO Gas South's customers was temporarily stored in unlocked filing cabinets. The cabinets were located on a shared ATCO Gas and ATCO Electric floor in the Milner Building in Edmonton. Although a specific release of Confidential Information was not identified, on February 5, 2008 ATCO Gas relocated the microfiche to a locked storage room. Resolved.
- ATCO Electric may transfer employees to or from an Affiliate, provided employees sign a Confidentiality Agreement prior to the transfer. Signed Confidentiality Agreements were received subsequent to the transfer of a few employees who transferred from ATCO Electric to an Affiliate during the first three quarters of 2008. No employees transferred from ATCO Electric to an Affiliate during the fourth quarter. Resolved.
- Two For Profit Affiliate Services for 2007 were identified in 2008. The appropriate documentation and approvals for the services were completed in the third quarter of 2008. Resolved.

#### **(f) Assessment of Compliance Plan Effectiveness**

The Compliance Plan contains compliance measures that describe specific actions and procedures the Utility will take to ensure its Affiliate business transactions are conducted in accordance with all aspects of the Code. ATCO Electric is reporting all instances of non-compliance with the Plan in this section of the Report.

#### General

Since the revised Compliance Plan went into effect on December 19, 2007, ATCO Electric has monitored its experience and recorded areas for improvement. Process improvements will be provided to the AUC later this year.

The ATCO Utilities share functions in the interests of economy and efficiency. Agreements were documented governing the sharing of costs and benefits related to the common groups that contain the shared functions. Staffing changes resulted in revisions to the agreement between ATCO Electric, ATCO Gas and ATCO Pipelines and also to the agreement between ATCO Electric and ATCO Gas. The amended agreements are provided in Appendix 10.

ATCO Electric's Accounting Policy G.5 was revised effective January 1, 2008 to reflect a change in the capital overhead rate. A copy of the policy is provided in Appendix 11.

#### Specific Compliance Plan Measures

There are a few items concerning the Compliance Plan Measures that were reported to the AUC in the quarterly Exception Reports.

ATCO Electric 2008 Affiliate Compliance Report

3.2.2 – Physical Separation

Based on a preliminary review of the records for the card key access system in early 2008, the Compliance Officer was unable to sign the 2007 certificate to confirm Physical Separation for ATCO Electric.

ATCO Electric completed the review of physical access to all its facilities and implemented the required changes by the end of the first quarter of 2009. The Physical Separation Certificates for 2007 and 2008 were signed on April 14, 2009. Compliant.

During the 2008 review of physical access, it was identified that ATCO Group Internal Auditors have limited access to some ATCO Electric space. Interim measures were implemented to ensure that the Auditors only have the access they require to perform their duties.

Action: Since the Auditors require access to perform their independent audit function, ATCO Electric will apply to the AUC for an exemption to Section 3.2.2 of the Code by the end of the second quarter of 2009.

3.3.1 – Sharing of Employees

ATCO Electric has historically reported no occurrence of shared employees. In early 2007 it was determined that no reporting mechanism existed for identifying employees who work for both ATCO Electric and an affiliate. In mid-2007 a process was implemented for Human Resources to obtain a signed Confidentiality Agreement from any employee who receives secondary employment approval from the President of ATCO Electric. The CPC approved the course of action at its June 22, 2007 meeting.

In its October 5, 2007 letter the EUB provided its definition for the Sharing of Employees as all “employees who perform any work on behalf of an affiliate, whether through a service agreement or by way of an occasional service or emergency service”.

The AUC Regulatory Audit Report #2008-001 issued on March 12, 2008 contained a recommendation for the Utilities to consider the AUC’s definition for Sharing of Employees and take the action as outlined in their Compliance Plans.

ATCO Electric filed a letter with the AUC on June 27, 2008 indicating an exemption request may be premature given the AUC is reviewing submissions by EPCOR, ENMAX and the ATCO Utilities in their respective 2007 Compliance Reports. On September 10, 2008 the AUC directed ATCO Electric to take the AUC’s view of Sharing Employees into account when applying the mechanisms in the Plan and indicated an exemption may be filed with respect to compliance with any provision of the Code.

Action: ATCO Electric will apply to the AUC for an exemption to Section 3.3.1 of the Code by the end of the second quarter of 2009.

3.3.4 – Shared Services Permitted and 4.1 – For Profit Affiliate Services

All new or revised Service Agreements are to be prepared and reviewed by the Compliance Plan Committee in advance of the Shared Services or For Profit Services being provided. In the first three quarters, a number of Services Agreements were approved after services commenced. In the fourth quarter, all required documentation for significant and material transactions was received in advance of the services being provided to or received from Affiliates.

ATCO Electric 2008 Affiliate Compliance Report

Processes were established to ensure that the documentation for all identified Services Agreements is approved by the Compliance Plan Committee before services are provided to or received from Affiliates. The Affiliate Code's requirements for documentation and its timing were reinforced with all Managers and Supervisors. The messages were also incorporated into the annual employees' training material.

The 2008 annual prudence review process for all affiliate transactions was completed by ATCO Electric's representatives prior to year end with the exception of three insignificant and immaterial transactions which were completed by January 19, 2009. Resolved.

7.2 – Communication of Code and Compliance Plan

All employees are required to provide a written acknowledgment of communication about the Code and Compliance Plan within 60 days of the previous year end. All ATCO Electric permanent and probationary employees received Code of Conduct training and signed ATCO Group Inter-Affiliate Code of Conduct Acknowledgement Forms by April 8, 2009.

Action: Increased emphasis on meeting the 60-day deadline will be made for the 2010 employee communication process. Resolved.

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

ATCO Electric has complied with Code requirements and did not have any material non-compliance with the Code during the 2008 Reporting Period.

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

No disputes or complaints have been received by the Compliance Officer related to compliance with the Code.

On an ongoing basis internal verbal and written (electronic mail) inquiries are received and Code clarifications are provided. On behalf of the Compliance Officer, the Utilities Compliance Office maintains electronic and paper records for general inquiries and documents the investigation and resolution of more formal inquiries according to the requirements contained in Section 8.2.2 (Disposition) of the Compliance Plan. The Compliance Officer approves the resolution of all formal inquiries. Seven formal inquiries were investigated by ATCO Electric during 2008.

**(i) List of All Major Transactions between ATCO Electric and Affiliates**

Several Major Transactions relating to the provision of services between ATCO Electric and Affiliates (other than Utility services) with an aggregate value of \$500,000 or more occurred in 2008. These transactions are provided in Appendix 5.

**(j) Affiliated Party Transaction Summary**

A summary overview of the transactions provided between ATCO Electric and Affiliates is provided in Appendix 6. It contains a general description of the transactions and services, the parties involved and the approximate aggregate value of each transaction.

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

A summary description with an estimated aggregate value for each Occasional Service between ATCO Electric and its Affiliates is provided in Appendix 7.

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

There were no Emergency Services provided or received by ATCO Electric during the Reporting Period. For consistency in numbering, there is no Appendix 8 attached to this Report.

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

ATCO Electric transferred and seconded several employees to or from an Affiliate during the Reporting Period in 2008 as permitted in Code Section 3.3.2. Details of these transfers and secondments including the date confidentiality agreements were signed for transfers and secondments from ATCO Electric are provided in Appendix 9.

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

Two officer's certificates are provided in Appendix 12. The certificates attest to the completeness of the 2008 Compliance Report and ATCO Electric's compliance with the Code. The certificates are signed by the Compliance Officer and President of ATCO Electric.

**(Decision 2004-026) Consents Granted Pursuant to Section 13.3(a) of the MSA with ATCO I-Tek**

No consents were granted.

**(Decision 2004-055) Intellectual Property Ownership Rights**

No instances occurred that Intellectual Property ownership rights or privileges, with respect to the product or output of the Statement of Work, would reside with ATCO I-Tek.

**3.0 CONCLUSION**

ATCO Electric believes it has fully complied with and operated within the provisions, spirit and intent of the ATCO Group Inter-Affiliate Code of Conduct.

ATCO Electric's 2008 Compliance Report will be posted on the ATCO Electric website and interested parties will be advised.

**ATCO ELECTRIC**  
**INTER-AFFILIATE CODE OF CONDUCT**  
**COMPLIANCE PLAN**

**Amended as of December 19, 2007**

**Table of Contents**

<b>1</b>	<b>PURPOSE AND OBJECTIVES OF THE COMPLIANCE PLAN .....</b>	<b>3</b>
<b>2</b>	<b>GENERAL PROVISIONS.....</b>	<b>3</b>
2.1	Definitions.....	3
2.2	Interpretation .....	7
2.3	To Whom this Plan Applies .....	7
2.4	Coming into Force .....	7
2.5	Amendments to this Plan .....	7
2.6	Retained for Numbering Consistency .....	7
2.7	Authority of the EUB .....	7
<b>3</b>	<b>GOVERNANCE AND SEPARATION OF UTILITY BUSINESSES .....</b>	<b>8</b>
3.1	Governance .....	8
3.1.1	Separate Operations .....	8
3.1.2	Retained for Numbering Consistency .....	8
3.1.3	Separate Management .....	9
3.1.4	Retained for Numbering Consistency .....	9
3.1.5	Guiding Principle .....	9
3.2	Degree of Separation.....	10
3.2.1	Accounting Separation.....	10
3.2.2	Physical Separation.....	10
3.2.3	Separation of Information Services .....	11
3.2.4	Financial Transactions with Affiliates .....	12
3.3	Resource Sharing .....	12
3.3.1	Sharing of Employees .....	12
3.3.2	Transferring of Employees .....	13
3.3.3	Sharing of Assets .....	14
3.3.4	Shared Services Permitted .....	14
3.3.5	Retained for Numbering Consistency .....	15
3.3.6	Occasional Services Permitted.....	15
3.3.7	Emergency Services Permitted .....	16
<b>4</b>	<b>TRANSFER PRICING.....</b>	<b>16</b>
4.1	For Profit Affiliate Services .....	16
4.2	Pricing For Profit Affiliate Services .....	17
4.2.1	Retained for Numbering Consistency .....	17
4.2.2	Retained for Numbering Consistency .....	17
4.3	Retained for Numbering Consistency .....	17
4.4	Asset Transfers.....	17
4.5	Retained for Numbering Consistency .....	18
4.6	Asset Transfers Between Utilities for Operational Efficiencies .....	18

<b>5</b>	<b>EQUAL TREATMENT WITH RESPECT TO UTILITY SERVICES .....</b>	<b>19</b>
5.1	Impartial Application of Tariff.....	19
5.2	Equal Access .....	19
5.3	No Undue Influence .....	19
5.4	Affiliate Activities.....	19
5.5	Name and Logo .....	19
5.6	Retained for Numbering Consistency .....	20
<b>6</b>	<b>CONFIDENTIALITY OF INFORMATION .....</b>	<b>20</b>
6.1	Utility Information .....	20
6.2	Management Exception.....	20
6.3	No Release of Confidential Information .....	20
6.4	Aggregated Confidential Information .....	21
<b>7</b>	<b>COMPLIANCE MEASURES.....</b>	<b>22</b>
7.1	Responsibility for Compliance.....	22
7.2	Communication of Code and Compliance Plan .....	22
7.3	Retained for Numbering Consistency .....	23
7.4	Responsibilities of the Compliance Officer .....	23
7.5	The Compliance Plan .....	24
7.6	The Compliance Report .....	24
7.7	Retained for Numbering Consistency .....	24
7.8	Retained for Numbering Consistency .....	24
<b>8</b>	<b>DISPUTES, COMPLAINTS AND INQUIRIES .....</b>	<b>24</b>
8.1	Filing with the Compliance Officer .....	24
8.2	Processing by Utility .....	25
8.2.1	Compliance Officer Acknowledgment .....	25
8.2.2	Disposition .....	25
8.3	Referral to the EUB.....	25
<b>9</b>	<b>RETAINED FOR NUMBERING CONSISTENCY .....</b>	<b>26</b>
9.1	Retained for Numbering Consistency .....	26
9.2	Retained for Numbering Consistency .....	26
<b>10</b>	<b>EFFECTIVE DATE OF THE COMPLIANCE PLAN.....</b>	<b>26</b>
<b>11</b>	<b>SCHEDULE A – OFFICER’S CERTIFICATE .....</b>	<b>27</b>
<b>12</b>	<b>SCHEDULE B – COMPLIANCE REPORT .....</b>	<b>28</b>
<b>13</b>	<b>SCHEDULE C – DIRECTORS’ RESOLUTION.....</b>	<b>29</b>

## 1 PURPOSE AND OBJECTIVES OF THE COMPLIANCE PLAN

The purpose of this plan is to detail the measures, policies, procedures and monitoring mechanisms that ATCO Electric will employ to ensure its full compliance with the provisions of the [Code](#) by ATCO Electric, its directors, officers, employees, consultants, contractors and agents, and by [Affiliates](#) of ATCO Electric with respect to the interactions of the [Affiliates](#) with ATCO Electric.

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

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

W. James Beckett  
Phone: (780) 420-7618  
Fax: (780) 420-5098  
Email: [jim.beckett@atcoelectric.com](mailto:jim.beckett@atcoelectric.com)

Copies of the [Code](#) and this [Compliance Plan](#) are available at [www.atcoelectric.com](http://www.atcoelectric.com). The numbering used in this Compliance Plan is consistent with the numbering used in the Code.

## 2 GENERAL PROVISIONS

### 2.1 Definitions

In this [Compliance Plan](#), the following capitalized words and phrases shall have the following meanings:

- (a) “**ABCA**” means the *Business Corporations Act*, R.S.A.2000 c. B-9.
- (b) “**Affiliate**” means with respect to ATCO Electric:
  - (i) an “affiliate” as defined in the [ABCA](#) or [CBCA](#);
  - (ii) a unit or division within ATCO Electric or any [Body Corporate](#) referred to in clause (b) (i) above;
  - (iii) a partnership, joint venture, or [Person](#) in which ATCO Electric or any [Body Corporate](#) referred to in clause (b) (i) above has a controlling interest or that is otherwise subject to the control of ATCO Electric or such [Body Corporate](#);

Inter-Affiliate Code of Conduct Compliance Plans

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- (iv) any partnership, joint venture, or **Person** deemed by the **EUB** to be an Affiliate of ATCO Electric for the purposes of the **Code**; and
- (v) an agent or other **Person** acting on behalf of any **Body Corporate**, operating division, partnership, joint venture or **Person** referred to in clauses (b) (i) to (iv) above.
- (c) **“Affiliated Party Transactions Summary”** unless otherwise directed by the **EUB**, means in respect of any period of time, a summary overview of each type of business transaction or service, other than **Major Transactions** or **Utility Services**, performed by an **Affiliate** for ATCO Electric or by ATCO Electric 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) **“ATCO”** means ATCO Ltd.
- (e) **“ATCO Affiliates”** means any entity to which the **Code** applies pursuant to **Section 2.3** of the **Code**.
- (f) **“Body Corporate”** means a “body corporate” as defined in the **ABCA** or **CBCA**.
- (g) **“CBCA”** means the *Canada Business Corporations Act*.
- (h) **“Code”** means the ATCO Group Inter-Affiliate Code of Conduct.
- (i) **“Common Director”** means a member of the Board of Directors of ATCO Electric who is also a member of the Board of Directors of an Affiliate of ATCO Electric.
- (j) **“Common Officer”** means an officer of ATCO Electric who is also an officer of a Non-Utility Affiliate of ATCO Electric.
- (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 ATCO Electric pursuant to **Section 7.5** of the **Code**.
- (m) **“Compliance Plan Committee” (CPC)** shall mean a committee which shall meet at least quarterly, comprised of at least the following:
- President, ATCO Electric
  - Director, IT Governance, ATCO Utilities Business Group
  - Controller, ATCO Electric
  - Human Resources Manager, ATCO Electric
  - Manager, Regulatory
  - **Compliance Officer**, ATCO Electric.
- (n) **“Compliance Report”** shall have the meaning ascribed thereto in **Section 7.6** of the **Code**. Quarterly, ATCO Electric will provide an exception report or a more detailed report, if there is a matter that ought to be brought to the attention of the Board.

(o) **“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 directors, officers, employees, consultants, contractors and agents of ATCO Electric are familiar with the provisions of the Code, and this Plan. At a minimum, the material will include instructions on:

- impartial application of the ATCO Electric 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 ATCO Electric name, logo, or other distinguishing characteristics
- confidentiality of Utility information
- treatment of Confidential Information related to customers
- process for forwarding disputes, complaints or inquiries to the Compliance Officer

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

(q) **“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 ATCO Electric of an [Affiliate’s](#) services, means the complete costs of providing the service, determined in a manner acceptable to ATCO Electric, acting prudently;
- (iv) the use by an [Affiliate](#) of ATCO Electric’s services, means the complete costs of providing the service, determined in a manner acceptable to ATCO Electric, 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.

(r) **“EUB”** means the Alberta Energy and Utilities Board.

(s) **“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.

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

- (i) by ATCO Electric to a [Non-Utility Affiliate](#), other than a [Utility Service](#); or

(ii) by a [Non-Utility Affiliate](#) to ATCO Electric.

(u) **“Information Services”** means any computer systems, computer services, databases, electronic storage services or electronic communication media utilized by ATCO Electric relating to ATCO Electric customers or ATCO Electric operations.

(v) **“Major Transaction”** means a transaction or series of related transactions within a calendar year between ATCO Electric 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.

(w) **“Non-Utility Affiliate”** means an [Affiliate](#) that is not a [Utility](#).

(x) **“Occasional Services”** shall have the meaning ascribed thereto in [Section 3.3.6](#) of the Code.

(y) **“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).

(z) **“Person”** means a “person” as defined in the [ABCA](#) or [CBCA](#).

(aa) **“Services Agreement”** means an agreement entered into between ATCO Electric 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 ATCO Electric and each [Affiliate](#) party to the agreement that the agreement complies with the [Code](#).

(bb) **“Shared Service”** means any service, other than a [Utility Service](#) or a [For Profit Affiliate Services](#), provided on a [Cost Recovery Basis](#) by ATCO Electric to an [Affiliate](#) or by an [Affiliate](#) to ATCO Electric.

(cc) **“Subsidiary”** shall have the meaning ascribed thereto in Section 2 (4) of the [ABCA](#).

(dd) **“Utility”** means any [Body Corporate](#) or any unit or division thereof, that provides a [Utility Service](#) and falls within the definition of:

- (i) “electric utility” under the *Electric Utilities Act*, S.A. 2003, c. E-5.1;
- (ii) “gas utility” under the *Gas Utilities Act*, R.S.A. 2000, c. G-5; or

(iii) “public utility” under the *Public Utilities Board Act*, R.S.A. 2000, c. P-45.

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

## **2.2 Interpretation**

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

## **2.3 To Whom this Plan Applies**

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

## **2.4 Coming into Force**

This Plan comes into force on approval by the **EUB**.

## **2.5 Amendments to this Plan**

This Plan may be reviewed and amended from time to time by the **EUB** on its own initiative, 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 **EUB****

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

### 3 GOVERNANCE AND SEPARATION OF UTILITY BUSINESSES

#### 3.1 Governance

##### 3.1.1 Separate Operations

**Policy:** ATCO Electric 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 Canadian Utilities and **ATCO**.

##### Compliance Measures

1. The ATCO Electric **Compliance Officer** will maintain an up-to-date list of the **Common Directors** and **Common Officers** of ATCO Electric, (the “List of Directors and Officers”).
2. On an annual basis, the Compliance Officer will provide a formal education session to the **Common Directors** and **Common Officers** of ATCO Electric. 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 ATCO Electric and who sign the Officers 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 ATCO Electric 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. On an annual basis the Board of Directors of ATCO Electric will pass the Directors’ Resolution contained in Schedule C to this Plan at the first regularly scheduled meeting of the Board in each calendar year.
4. The **Compliance Plan Committee** will review the acknowledgements and resolutions prior to filing the annual Compliance Report. The minutes of the CPC’s meeting at which the acknowledgements and resolutions are reviewed will reflect the results of the review.
5. 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).

##### 3.1.2 Retained for Numbering Consistency

### 3.1.3 Separate Management

**Policy:** ATCO Electric 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 amending the make-up of the ATCO Electric management team, or changing the ATCO Electric officers with any person who may be perceived as having participated in the management of the Affiliate, the President of ATCO Electric will provide a notice verbally or in writing to the ATCO Electric **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 will advise the President within five working days, and initiate an inquiry under the **Code (Section 8)**.
2. The ATCO Electric **Compliance Officer** will maintain an up-to-date list of ATCO Electric management team members and officers, (the “ATCO Electric Management Team List”).
3. At each meeting of the **Compliance Plan Committee**, the “ATCO Electric Management Team List” will be compared to the current management team members and officers of ATCO Electric’s **Non-Utility Affiliates**, and the minutes of the meeting will reflect the outcome of this comparison.
4. Any conflicts with this policy identified as a result of this review will be treated as an inquiry under the **Code** (see **Section 8**).

### 3.1.4 Retained for Numbering Consistency

### 3.1.5 Guiding Principle

**Policy:** No individual shall act both as a director, officer, or member of a management team of ATCO Electric and as a director, officer or member of a management team of an **Affiliate** of ATCO Electric 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 ATCO Electric who act as directors, officers, or members of the management team of an **Affiliate** of ATCO Electric, (the “ATCO Electric Management Team List”).
2. All such officers, or members of the management team of ATCO Electric who also act as officers, or members of the management team of an **Affiliate** of ATCO Electric 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 “Dual Responsibilities Certificate”).

3. Within 60 days of the end of each calendar year, all such officers, or members of the management team of ATCO Electric who also act as officers, or members of the management team of an Affiliate of ATCO Electric will provide a signed certificate to the Compliance Officer that stipulates that he/she carried out his/her responsibilities in a manner which preserved the form, and the spirit and intent of the Code (the “Officer’s Certificate”).

4. On an annual basis the Board of Directors of ATCO Electric will pass the Directors’ Resolution contained in Schedule C to this Plan at the first regularly scheduled meeting of the Board in each calendar year.

5. The **Compliance Officer** will maintain a record of the above certificates and resolutions. Any failure to provide a certificate or resolution, or the provision of a certificate or resolution 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: ATCO Electric shall have separate financial records and books of accounts from all Affiliates.**

#### Compliance Measures

1. The Controller, ATCO Electric will ensure the accounts and records of ATCO Electric are kept separate from the accounts and records of all **Affiliates**.

2. The Controller, ATCO Electric 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).

### 3.2.2 Physical Separation

**Policy:** ATCO Electric 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 ATCO Electric is located in the same building as a **Non-Utility Affiliate**, ATCO Electric will institute appropriate security controlled access, through the use of receptionists, keyed locks, or card-key access.
2. The Compliance Officer, ATCO Electric will provide a signed certificate in the form attached as Schedule “B” to this Plan attesting to the physical separation of ATCO Electric 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).

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

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

#### Compliance Measures

1. Prior to sharing Information Services with an Affiliate of ATCO Electric, owners of computer systems containing Confidential Information must provide approval in writing. On an annual basis the **Compliance Officer** will receive a list of users with approved access to computer systems containing Confidential Information, (the “Shared Information Systems Access List”).
2. The Director, IT Governance, ATCO Utilities Business Group will annually review the Shared Information Systems Access List for all **Information Services** shared with any **Affiliate** of ATCO Electric. The Director, IT Governance, ATCO Utilities Business Group will annually review with the owners of systems containing **Confidential Information**, the list of **Affiliates** that have access to their system.
3. The Director, IT Governance, ATCO Utilities Business Group will annually review the data management and data access protocols and contractual provisions regarding the breach of any access protocols to ensure they are appropriate.
4. The Director, IT Governance, ATCO Utilities Business Group will provide a signed certificate in the form attached as Schedule “B” to this Plan, (the “Shared Access Compliance Certificate”), within 60 days of the end of each calendar year. The certificate will attest that he has reviewed all **Information Services** shared with an

**Affiliate** of ATCO Electric and that all access by **Affiliates** of ATCO Electric to **Information Services** is in accordance with section 3.2.3 of the Code.

5. The Compliance Officer will maintain a record of the approvals and certificate. Any failure to provide the approvals or certificate as described in paragraph 1 and 3 above, or the provision of the approvals or certificate which do 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 ATCO Electric 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 Controller of ATCO Electric 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 Controller will provide a signed certificate in the form attached to this Plan as Schedule “B” attesting that any loans, investments, or other financial support provided to a **Non-Utility Affiliate** have been provided on terms no more favourable than what the **Non-Utility Affiliate** would be able to obtain as a stand-alone entity (the “Financial Arrangements Certificate”). The 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).

### 3.3 Resource Sharing

#### 3.3.1 Sharing of Employees

**Policy: ATCO Electric 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. ATCO Electric employees may not be shared with an **Affiliate** without the written permission of the appropriate Vice-President of ATCO Electric, (the “Shared Employee Permission Record”), who will provide the signed permission to the ATCO Electric Human Resources Manager.

2. The ATCO Electric Human Resources Manager will retain the written permission on file, and provide a quarterly report to the Compliance Officer on all instances of

sharing ATCO Electric employees with [Affiliates](#) which have occurred, or continued during the reporting period, (the “Shared Employees Report”). The report will identify if the required Vice-President approval was in place before the sharing took place.

3. The [Compliance Plan Committee](#) will review the “Shared Employees Report” on a quarterly basis. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the [Compliance Plan Committee](#) for changes to the manner in which employees are shared with [Affiliates](#).

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

### 3.3.2 Transferring of Employees

**Policy:** Where an employee is being transferred from ATCO Electric 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. All employees who transfer from ATCO Electric to an [Affiliate](#) will sign a confidentiality agreement prior to the transfer. The employee’s supervisor will obtain the necessary signed confidentiality agreement prior to the transfer of the employee, and will provide the signed agreement to the ATCO Electric Human Resources Manager.

2. The ATCO Electric Human Resources Manager will retain the confidentiality agreement on file, and provide a quarterly report, (the “Transferred Employees Report”), to the Compliance Officer on all instances of ATCO Electric 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.

3. The [Compliance Plan Committee](#) will review the “Transferred Employees Report” on a quarterly basis. The minutes of the meeting at which the report is reviewed will reflect the results of the review, including any recommendations by the [Compliance Plan Committee](#) for changes to the manner in which employees are transferred to [Affiliates](#).

4. Any recommendations by the [Compliance Plan Committee](#) for changes to the manner in which employees transfer to [Affiliates](#) will be treated as an inquiry under the [Code](#) (see [Section 8](#)). Any instances of employees with access to [Confidential Information](#) being transferred to an [Affiliate](#) in the absence of a signed confidentiality agreement will be treated as an inquiry under the [Code](#) (see [Section 8](#)).

### 3.3.3 Sharing of Assets

**Policy:** Plant, assets and equipment of ATCO Electric shall be separated in ownership and separated physically from the plant, assets and equipment of **Non-Utility Affiliates**. Where ATCO Electric 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 Controller of ATCO Electric will maintain an inventory of all plant, assets and equipment shared with **Affiliates**.
2. The Controller 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 Controller will provide an annual report to the Compliance Officer of all plant, assets and equipment shared with **Utility Affiliates**, (the “Shared Assets Report”), identifying that methods used to ensure that such sharing is 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 “Shared Assets Report” 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 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** will be treated as an inquiry under the **Code** (see **Section 8**).

### 3.3.4 Shared Services Permitted

**Policy:** ATCO Electric may obtain **Shared Services** from, or provide **Shared Services** to, an **Affiliate** where it is prudent to do so, provided that each of ATCO Electric 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 new or revised **Shared Service**, the **Services Agreement** will be prepared by the appropriate ATCO Electric employee and presented to the

**Compliance Plan Committee** for review and approval. A business case identifying that it is prudent to obtain the 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 ATCO Electric employee and presented to the **Compliance Plan Committee** for review and approval.

5. The **Shared Services** will be annually reviewed by ATCO Electric's representatives prior to year end and 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 CPC's 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:** ATCO Electric 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 Controller, ATCO Electric 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 Controller will provide the necessary report of **Occasional Services** provided by ATCO Electric to an Affiliate and vice versa, (the "Occasional Services Report"), 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**, to the Compliance Plan Committee.

3. The Compliance Plan Committee will review the "Occasional Services 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 by the Compliance Plan Committee for changes to the provision, receipt and documentation of Occasional Services, will be treated as an inquiry under the Code (see Section 8).

### 3.3.7 Emergency Services Permitted

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

#### Compliance Measures

1. The Controller, ATCO Electric 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 90 days of the end of each calendar year, the Controller will provide the necessary report of Emergency Services provided by ATCO Electric to an Affiliate and vice versa, (the “Emergency Services Report”), indicating whether the services have been provided on a cost recovery basis, have been properly documented, and remain non-material, required by Section (I) of the **Compliance Report**, to the Compliance Plan Committee.
3. The Compliance Plan Committee will review the “Emergency Services 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 by the Compliance Plan Committee for changes to the provision, receipt and documentation of Emergency Services, will be treated as an inquiry under the Code (see Section 8).

## 4 TRANSFER PRICING

### 4.1 For Profit Affiliate Services

**Policy:** ATCO Electric 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**. On a quarterly basis, the Compliance Officer will prepare a report describing all For Profit Affiliate Services obtained from, or provided to an Affiliate and will maintain a record of the above reports.
2. All existing, new or revised **For Profit Affiliate Services** will be documented by a **Services Agreement**, duly executed by ATCO Electric 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](#) 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. The business case will be presented to the Compliance Plan Committee for review and approval.

4. Prior to implementing a new or 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 ATCO Electric and an [Affiliate](#) will be annually reviewed by ATCO Electric's representatives prior to year end and by the [Compliance Plan Committee](#) at its first meeting of the year. The results of the review will be reflected in the minutes of the CPC's meeting. Any [For Profit Affiliate Service](#) which no longer meets the test of continued prudence will be revised or terminated in accordance with the terms of the Service Agreement.

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

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

#### Compliance Measures

1. The Controller of ATCO Electric will approve any asset transfers, mortgages, leases, or other dispositions by ATCO Electric to an [Affiliate](#), or by an [Affiliate](#) to ATCO Electric, 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 Controller will provide a report to the Compliance Officer detailing any asset transfers between ATCO Electric and [Affiliates](#), (the “Asset Transfers Report”). 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 “Asset Transfers 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 by the [Compliance Plan Committee](#) for changes to the methods used to ensure that asset transfers between ATCO Electric and [Affiliates](#) are priced at [Fair Market Value](#), subject to the provisions of Section 4.6 of the Code, will be treated as an inquiry under the [Code](#) (see [Section 8](#)).

#### 4.5 Retained for Numbering Consistency

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

**Policy:** ATCO Electric 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 ATCO Electric and [Utility Affiliates](#) on a [Cost Recovery Basis](#).

##### Compliance Measures

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

2. Within 60 days of the end of each calendar year, the Controller will provide a report to the Compliance Officer, (the “Asset Transfers Between Utilities Report”) detailing any arrangements for obtaining [Operational Efficiencies](#) between ATCO Electric 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 “Asset Transfers Between Utilities Report”. The minutes of the meeting at which the report is reviewed and approved 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 by the [Compliance Plan Committee](#) for changes to the methods used to ensure that asset transfers between ATCO Electric and [Affiliates](#) are

valued on a Cost Recovery Basis, or failure to approve the above report 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:** ATCO Electric 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:** ATCO Electric 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 ATCO Electric.

See the Compliance Measures in Section 7.2 of this Plan.

### 5.3 No Undue Influence

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

See the Compliance Measures in Section 7.2 of this Plan.

### 5.4 [Affiliate](#) Activities

**Policy:** ATCO Electric 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:** ATCO Electric shall take reasonable steps to ensure that an Affiliate does not use ATCO Electric's name, logo or other distinguishing characteristics in a manner which would mislead consumers as to the distinction or lack of distinction between ATCO Electric 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, ATCO Electric shall not provide Non-Utility Affiliates with information relating to the planning, operations, finances or strategy of ATCO Electric 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 ATCO Electric 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, ATCO Electric 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:** ATCO Electric 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 ATCO Electric 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. Management of ATCO Electric will provide 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 “Protection of Confidential Information Certificate”), to the Compliance Officer within 60 days of the end of each 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:** ATCO Electric 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 ATCO Electric shall not disclose such aggregated customer information to an Affiliate prior to making such information publicly available.

##### Compliance Measures

1. If management of ATCO Electric 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. Management of ATCO Electric will provide 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 “Aggregated Confidential Information Certificate”), to the Compliance Officer 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).

## 7 COMPLIANCE MEASURES

### 7.1 Responsibility for Compliance

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

See the Compliance Measures in Section 7.2 of this Plan.

### 7.2 Communication of Code and Compliance Plan

**Policy:** ATCO Electric 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 ATCO Electric web site.

#### Compliance Measures

1. Each director, officer, employee, consultant, contractor, agent and Affiliate of ATCO Electric will receive a copy of the Code on commencement of their relationship with ATCO Electric.
2. See the Compliance Measures in Section 3.1.1 for the record keeping which will exist for the Corporate Governance Group.
3. For ATCO Electric employees (excluding the Common Directors and Common Officers of ATCO Electric), a signed 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 ATCO Electric. The acknowledgement will be kept in the Human Resources personnel file for each employee.
4. For ATCO Electric consultants, contractors, and agents, a responsible employee of ATCO Electric 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 “Code Acknowledgement Documentation”). The written acknowledgement will be forwarded to the Compliance Officer for record-keeping.

5. The **Compliance Officer** will provide copies of the **Code** and this Compliance Plan to all **Affiliates** of ATCO Electric on an annual basis, addressed to a senior officer of the **Affiliate**.
6. On an annual basis, and within 60 days of the end of each calendar year, each ATCO Electric employee (excluding the Common Directors and Common Officers of ATCO Electric) will confirm (through written 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 written acknowledgements will be maintained in the Human Resources personnel file for each employee.
7. Within 90 days of the end of each calendar year, the ATCO Electric Human Resources Manager will provide the **Compliance Plan Committee** a written report (the “Employee Code Acknowledgements Report”), identifying which if any ATCO Electric employees have not completed the “Code Acknowledgement Documentation”).
8. The **Compliance Officer** will post the **Code** and the Compliance Plan on the ATCO Electric web site.

### 7.3 Retained for Numbering Consistency

### 7.4 Responsibilities of the Compliance Officer

**Policy:** The ATCO Electric **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 to the **Compliance Plan Committee** detailing the manner in which he/she has discharged the above responsibilities, (the “Compliance Officer’s Report”). 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. The **Compliance Plan Committee** will review the “Compliance Officer’s Report” prior to filing the annual Compliance 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. Any recommendations by the **Compliance Plan Committee** for changes to the manner in which the **Compliance Officer** discharges the above responsibilities will be treated as an inquiry under the **Code** (see **Section 8**).

## 7.5 The **Compliance Plan**

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

### Compliance Measures

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

## 7.6 The **Compliance Report**

**Policy:** ATCO Electric will prepare a **Compliance Report** in accordance with **Section 7.6** of the **Code**, and file it with the **EUB** within 120 days of the fiscal year end of ATCO Electric. The **Compliance Report** will be posted on ATCO Electric'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 ATCO Electric 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 ATCO Electric 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 ATCO Electric 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 ATCO Electric to the issues identified in the submission. ATCO Electric's final disposition of the dispute, complaint or inquiry shall be completed as expeditiously as possible in the circumstances, and in any event within 60 days of receipt of the dispute, complaint or inquiry, except where the party making the submission otherwise agrees.

#### Compliance Measures

See Section 8.1

## 8.3 Referral to the EUB

**Policy:** The **Compliance Officer** shall ensure that instructions on how to refer disputes to the EUB are contained on the ATCO Electric website

#### Compliance Measures

1. Instructions for referring disputes to the EUB will be posted on the ATCO Electric 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 is effective as of December 19, 2007.

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

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

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

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

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

## 12 SCHEDULE B – COMPLIANCE REPORT

To: The ATCO Electric Compliance Officer and ATCO Electric Compliance Committee

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

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

## 13 SCHEDULE C – DIRECTORS’ RESOLUTION

### [ATCO Electric Ltd.] (the "Corporation")

**WHEREAS** the Corporation is subject to the oversight by the Alberta Energy and Utilities Board ("EUB"),

**AND WHEREAS** the EUB has imposed an Inter-Affiliate Code of Conduct on the Corporation, pursuant to Decision 2003-040 dated May 22, 2003 (the "Code of Conduct");

**AND WHEREAS** the EUB approved a [Compliance Plan](#) in respect of the Code of Conduct by Decision 2005-013, dated February 22, 2005 (the "Compliance Plan");

**AND WHEREAS** the [Compliance Plan](#) requires yearly confirmation on behalf of the Corporation that the [Compliance Plan](#) has been carried out by the Corporation and its Directors.

**AND WHEREAS** the Board of Directors of the Corporation has been advised by the management of the Corporation, including the [Compliance Officer](#), as to the measures taken in respect of compliance, as well as having reviewed incidents relating to possible non-compliance, if any,

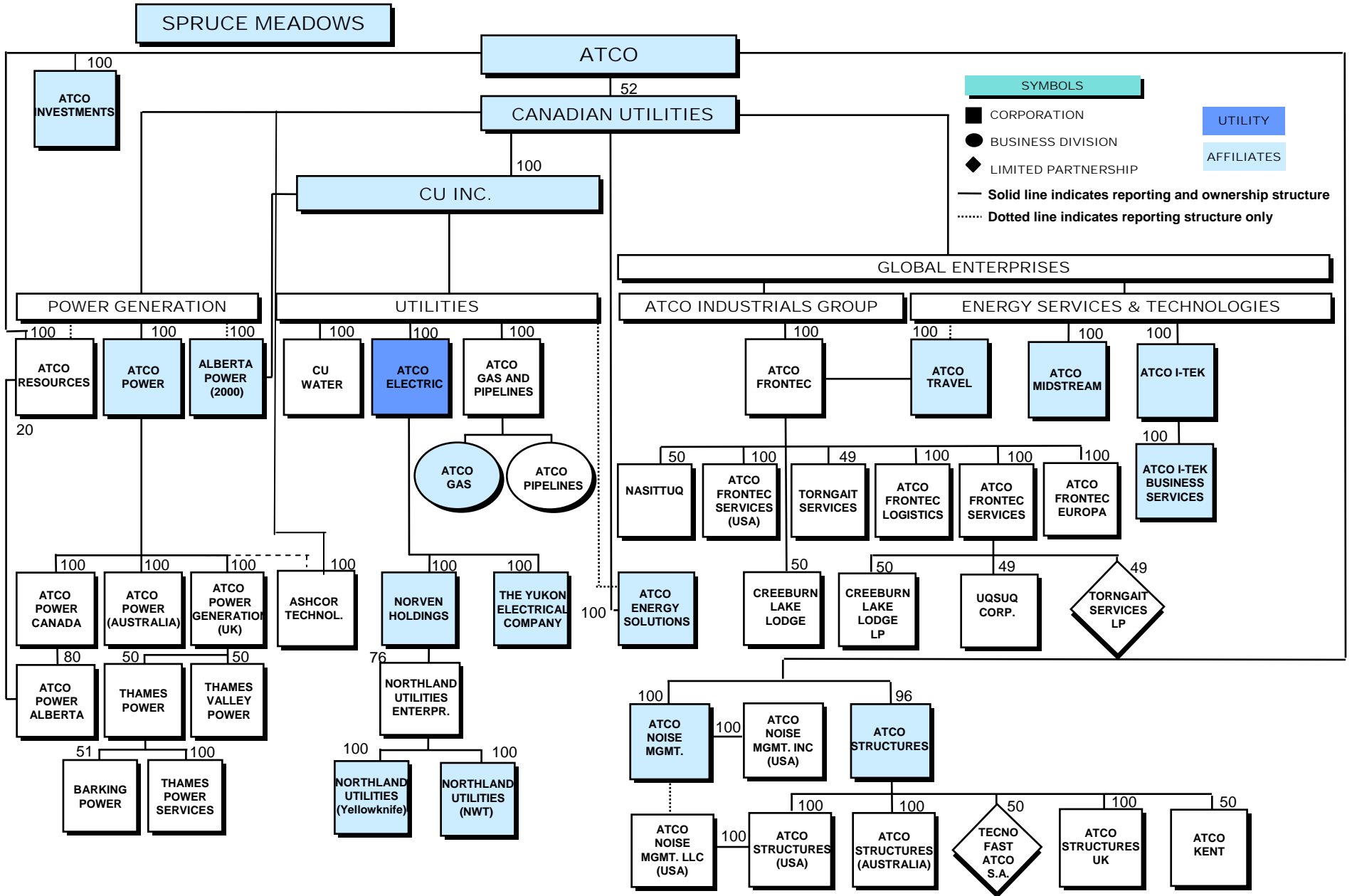
**AND WHEREAS** the Board of Directors has been provided with certificates of compliance by the appropriate officers of the Corporation.

#### **BE IT RESOLVED THAT**

1. the Board of Directors hereby confirms that it is aware of the Code of Conduct and related [Compliance Plan](#) and that, subject to the obligations and duties imposed on Directors under applicable statutory and common laws, the Corporation and the Board of Directors have complied with Sections 3.1.1 and 3.1.5 of the Code of Conduct and the [Compliance Plan](#) in respect thereof,
2. and hereby authorize and direct the [Compliance Officer](#) to so certify on behalf of the Corporation, the Corporation's compliance with the Code of Conduct and to execute all such documents, certificates, instruments or notices as may be required to give effect to the foregoing, including a certified copy of this resolution (collectively, the "Documents") to be in such form as the [Compliance Officer](#), upon the advice of legal counsel to the Corporation, deems necessary or appropriate, such determination to be conclusively evidenced by the execution and filing or delivery of such Documents.

ATCO ELECTRIC - Affiliate Relationships and Ownership for 2008

Appendix 2



**AFFILIATES OF ATCO ELECTRIC**  
**Table of Contents**

ATCO Electric Ltd. ....	<a href="#">2</a>
Alberta Power (2000) Ltd. ....	<a href="#">3</a>
ATCO Energy Solutions Ltd. ....	<a href="#">4</a>
ATCO Gas, a division of ATCO Gas and Pipelines Ltd. ....	<a href="#">5</a>
ATCO Investments Ltd. ....	<a href="#">6</a>
ATCO I-Tek Business Services Ltd. ....	<a href="#">7</a>
ATCO I-Tek Inc. ....	<a href="#">8</a>
ATCO Ltd. ....	<a href="#">9</a>
ATCO Midstream Ltd. ....	<a href="#">10</a>
ATCO Noise Management ....	<a href="#">11</a>
ATCO Power Ltd. ....	<a href="#">12</a>
ATCO Structures Inc. ....	<a href="#">13</a>
ATCO Travel Ltd. ....	<a href="#">14</a>
Canadian Utilities Limited ....	<a href="#">15</a>
CU Inc. ....	<a href="#">16</a>
Northland Utilities (NWT) Ltd. ....	<a href="#">17</a>
Northland Utilities (Yellowknife) Ltd. ....	<a href="#">18</a>
Norven Holdings Inc. ....	<a href="#">19</a>
Spruce Meadows ....	<a href="#">20</a>
The Yukon Electrical Company Ltd. ....	<a href="#">21</a>

**ATCO Electric Ltd.**

20<sup>th</sup> Floor, 10035 – 105 Street  
Edmonton, AB  
T5J 2V6

Directors:

Loraine M. Charlton  
James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
Karen M. Watson

Officers:

Nancy C. Southern .....Chairman of the Board & Chief Executive Officer  
Siegfried W. Kiefer .....Managing Director, Utilities  
Sett F. Policicchio .....President  
W. James Beckett.....Executive Vice President & Chief Regulatory Officer  
Dennis A. DeChamplain .....Vice President, Controller  
Robert V. Baer .....Vice President, Government Affairs, Communications &  
Corporate Initiatives  
Raymond Boven.....Vice President, Engineering  
John J. Carroll .....Vice President, Projects & Construction  
Paul G. Goguen.....Vice President, Transmission  
David R. Jones .....Vice President, Distribution Technology Services  
Kris Sakowsky .....Vice President, Distribution  
Patricia Spruin.....Secretary  
Carol Gear.....Assistant Secretary

Description of Business:

ATCO Electric builds, operates and maintains a safe, reliable system of transmission and distribution lines, delivering power to homes, farms and businesses. ATCO Electric serves more than 200,000 customers in 245 communities throughout northern and east-central Alberta.

**Alberta Power (2000) Ltd.**

900, 919 – 11 Avenue SW  
Calgary, AB  
T2R 1P3

Directors:

James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
Karen M. Watson  
Charles W. Wilson

Officers:

Nancy C. Southern .....Chairman of the Board & Chief Executive Officer  
Richard J. Brouwer .....President  
Wayne L. Symington .....Senior Vice President, Development, Engineering &  
Construction  
Grant M. Lake .....Senior Vice President, Commercial  
Paul F. Blaha .....Vice President Development, Alternative Energy  
G. Dale Friesen .....Vice President, Environmental Projects, Water Division  
Carl F. Fuchshuber .....Vice President, Commercial, Strategic Planning  
Brenda L. Hanson .....Vice President, Commercial, Project Development  
Robert S. Piro .....Vice President, Operations  
John W. Ell .....Vice President, Operations  
Thomas N. McGhan .....Vice President, Project Engineering  
Gord K.J. McPhee .....Vice President, Commercial  
Brian G. Milne .....Vice President, Finance  
B. Anders Renborg .....Vice President, Commercial, Asset Optimization  
Patricia Spruin .....Secretary  
Carol Gear .....Assistant Secretary

Description of Business:

Alberta Power (2000) is engaged in the power generation business.

**ATCO Energy Solutions Ltd.**  
20<sup>th</sup> Floor, 10035 – 105 Street  
Edmonton, AB  
T5J 2V6

Directors:

James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
Karen M. Watson  
Charles W. Wilson

Officers:

Nancy C. Southern .....Chairman of the Board & Chief Executive Officer  
Robert J. Myles .....President  
Paul G. Wright .....Vice President  
G. Dale Friesen .....Vice President, Environmental Projects, Water Division  
Patricia Spruin.....Secretary  
Carol Gear .....Assistant Secretary

Description of Business:

ATCO Energy Solutions focuses on non-regulated electric opportunities, the development of industrial and municipal water and waste water opportunities, and other non-natural gas pipeline opportunities.

**ATCO Gas, a division of ATCO Gas and Pipelines Ltd.**

20<sup>th</sup> Floor, 10035 – 105 Street  
Edmonton, AB  
T5J 2V6

Directors (ATCO Gas and Pipelines Ltd.):

Loraine M. Charlton  
James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
Karen M. Watson

Officers:

Nancy C. Southern .....Chairman of the Board & Chief Executive Officer  
Siegfried W. Kiefer .....Managing Director, Utilities  
Brian R. Hahn .....President  
W. James Beckett.....Executive Vice President & Chief Regulatory Officer  
Robert V. Baer .....Vice President, Government Affairs, Communications &  
Corporate Initiatives  
Brian R. Bale.....Vice President, Controller  
Donald E. Belsheim .....Vice President & Chief Engineer  
Keith Carter.....Vice President, Parkland Division  
Brendan G. Dolan .....Vice President, Prairie Peaks Division  
Daryl S. Kong .....Vice President, Calgary Operations  
Marnie J. O'Brien .....Vice President, Corporate Services  
William C. Stephens .....Vice President, Edmonton Operations  
Patricia Spruin.....Secretary  
Carol Gear.....Assistant Secretary

Description of Business:

ATCO Gas is a division of ATCO Gas and Pipelines Ltd. ATCO Gas is an Alberta-based, province wide natural gas distribution company, serving more than one million municipal, residential, industrial and commercial customers in nearly 300 communities.

**ATCO Investments Ltd.**  
1400, 909 – 11 Avenue SW  
Calgary, AB  
T2R 1N6

Directors:

Linda A. Heathcott  
Nancy C. Southern  
Ronald D. Southern

Officers:

Nancy C. Southern .....Chairman of the Board, President & Chief Executive  
Officer  
Susan R. Werth .....Vice President  
Karen M. Watson .....Vice President  
Patricia Spruin.....Secretary  
Carol Gear.....Assistant Secretary

Description of Business:

ATCO Investments is a commercial real estate investment company.

**ATCO I-Tek Business Services Ltd.**

5<sup>th</sup> Floor, 10035 – 105 Street  
Edmonton, AB  
T5J 1C8

Directors:

James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
Karen M. Watson  
Charles W. Wilson

Officers:

Nancy C. Southern .....Chairman of the Board & Chief Executive Officer  
Michael M. Shaw .....Managing Director, Global Enterprises  
Roberta L. Lambright.....President  
Scott C. Roszell.....Vice President, Controller  
Patricia Spruin.....Secretary  
Carol Gear .....Assistant Secretary

Description of Business:

ATCO I-Tek Business Services provides billing and customer care services to a diverse client group.

**ATCO I-Tek Inc.**

5<sup>th</sup> Floor, 10035 – 105 Street  
Edmonton, AB  
T5J 1C8

Directors:

James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
Karen M. Watson  
Charles W. Wilson

Officers:

Nancy C. Southern .....Chairman of the Board & Chief Executive Officer  
Michael M. Shaw .....Managing Director, Global Enterprises  
Roberta L. Lambright.....President  
Vivian W. Cheng .....Vice President, Applications  
Pam G. Moellmann .....Vice President, Technologies  
Scott C. Roszell.....Vice President, Controller  
Patricia Spruin.....Secretary  
Carol Gear.....Assistant Secretary

Description of Business:

ATCO I-Tek provides information technology integration and support and applications strategy development and implementation to a diverse client group.

**ATCO Ltd.**

1600, 909 – 11 Avenue SW  
Calgary, AB  
T2R 1N6

Directors:

Robert T. Booth  
William L. Britton  
Bertrand P. Collomb  
Brian P. Drummond  
Basil K. French  
Rtn. Hon. Donald F. Mazankowski  
Helmut M. Neldner  
Nancy C. Southern  
Ronald D. Southern  
Lodewijk C. van Wachem  
Charles W. Wilson

Officers:

Ronald D. Southern.....Chairman of the Board  
Nancy C. Southern.....President & Chief Executive Officer  
Siegfried W. Kiefer.....Managing Director, Utilities & Chief Information Officer  
Michael M. Shaw .....Managing Director, Global Enterprises & ATCO Ltd.  
Corporate Development  
Karen M. Watson.....Senior Vice President & Chief Financial Officer  
Susan R. Werth .....Senior Vice President & Chief Administration Officer  
Owen G. Edmondson .....Group Vice President, Business Development Finance  
Erhard M. Kiefer.....Group Vice President, Human Resources & Corporate  
Services  
D. Terrence Davis .....Vice President, Internal Audit & Risk Management  
Paul G. Wright .....Vice President, Finance & Controller  
Carson J. Ackroyd.....Vice President, Marketing & Communications  
Robert A. Cerkiewicz.....Vice President, Business Analysis  
Ian D. Hargrave.....Vice President, Project Development  
Kevin Hunt.....Vice President, Pension  
Patricia Spruin.....Vice President, Corporate Secretary & Administration  
Catherine M. Widdoes .....Vice President, HR Services  
Charles S. McConnell.....Treasurer  
Carol Gear.....Assistant Corporate Secretary

Description of Business:

The Corporation is a holding company which operates in the Utilities, Power Generation and Global Enterprises business segments.

**ATCO Midstream Ltd.**  
909, 240 – 4<sup>th</sup> Avenue SW  
Calgary, AB  
T2P 4H4

Directors:

James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
Karen M. Watson  
Charles W. Wilson

Officers:

Nancy C. Southern .....Chairman of the Board & Chief Executive Officer  
Michael M. Shaw .....Managing Director, Global Enterprises  
Kevin J. Cumming .....President  
Wayne W. Wright .....Senior Vice President, Finance & Controller  
Michael R. Dever .....Vice President, Natural Gas Liquids  
Marie Yan .....Vice President, Storage & Energy Services  
Patricia Spruin.....Secretary  
Carol Gear.....Assistant Secretary

Description of Business:

ATCO Midstream owns and operates natural gas gathering, processing, storage and liquids extraction facilities providing services to Canadian natural gas producers and shippers.

**ATCO Noise Management Ltd.**

1243 McKnight Blvd. NE  
Calgary, AB  
T2E 5T1

Directors:

Ian M. Allison  
William L. Britton  
James A. Campbell  
Brian P. Drummond  
Basil K. French  
Helmut M. Neldner  
Nancy C. Southern  
Ronald D. Southern  
Karen M. Watson  
Charles W. Wilson

Officers:

Nancy C. Southern .....Chairman of the Board & Chief Executive Officer  
Michael M. Shaw .....Managing Director, Global Enterprises  
Boris I. Rassin.....President  
Harish K. Mohan.....Senior Vice President, International Finance &  
Group Controller  
Paul J. van den Camp.....Senior Vice President, General Manager  
Harold A. Wong.....Senior Vice President, General Manager, Higgott-Kane  
Division  
R. John Evison .....Vice President, Sales & Business Development  
Neil P. Holder .....Vice President, Operations  
Patricia Spruin.....Secretary  
Carol Gear.....Assistant Secretary

Description of Business:

ATCO Noise Management provides complete noise reduction services for new and existing industrial facilities around the world, including acoustical consulting, engineering and construction of the abatement measures with guaranteed performance.

**ATCO Power Ltd.**

900, 919 – 11 Avenue SW  
Calgary, AB  
T2R 1P3

Directors:

James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
Karen M. Watson  
Charles W. Wilson

Officers:

Nancy C. Southern .....Chairman of the Board & Chief Executive Officer  
Richard J. Brouwer .....President  
Wayne L. Symington .....Senior Vice President, Development, Engineering &  
Construction  
Grant M. Lake .....Senior Vice President, Commercial  
Brenda L. Hansen.....Vice President, Commercial, Project Development  
Gord K. J. McPhee.....Vice President, Commercial  
Robert S. Piro.....Vice President, Operations  
Doug F. Tenney .....Vice President, Project Development, Hydro  
Brian G. Milne .....Vice President, Finance  
Patricia Spruin.....Secretary  
Carol Gear.....Assistant Secretary

Description of Business:

ATCO Power is an international leader in developing, constructing, owning and operating independent, environmentally progressive natural gas fired power projects in Canada, the United Kingdom and Australia.

**ATCO Structures Inc.**  
5115 Crowchild Trail SW  
Calgary, AB  
T3E 1T9

Directors:

Ian M. Allison  
William L. Britton  
James A. Campbell  
Brian P. Drummond  
Basil K. French  
Helmut M. Neldner  
Nancy C. Southern  
Ronald D. Southern  
Karen M. Watson  
Charles W. Wilson

Officers:

Nancy C. Southern .....Chairman of the Board & Chief Executive Officer  
Michael M. Shaw .....Managing Director, Global Enterprises  
Harry G. Wilmot .....President & Chief Operating Officer  
Boris I. Rassin.....President, ATCO Structures Canada/Alaska  
Harish K. Mohan.....Senior Vice President, International Finance & Group  
Controller  
D. Brent Morgan .....Senior Vice President, Internal Operations & Business  
Development  
Randy D. Hughes .....Vice President, Sales, Leasing, Transportation &  
Installation, ATCO Structures Canada/Alaska  
Mark A. Semchuk .....Vice President, Production & Engineering  
Patricia Spruin.....Secretary  
Carol Gear.....Assistant Secretary

Description of Business:

ATCO Structures manufactures, sells and leases workforce housing and modular buildings to more than 100 countries around the world.

**ATCO Travel Ltd.**

1243 McKnight Blvd. NE  
Calgary, AB  
T2E 5T2

Directors:

James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
Karen M. Watson  
Charles W. Wilson

Officers:

Nancy C. Southern .....Chairman of the Board & Chief Executive Officer  
Michael M. Shaw .....Managing Director, Global Enterprises  
Patricia Spruin.....Secretary  
Carol Gear.....Assistant Secretary

Description of Business:

ATCO Travel provides a wide range of corporate and vacation travel services.

**Canadian Utilities Limited**

1600, 909 – 11 Avenue SW  
Calgary, AB T2R 1N6

Directors:

Robert T. Booth  
Loraine M. Charlton  
David A. Dodge  
Denis M. Ellard  
Linda A. Heathcott  
Robert J. Normand  
Michael R. P. Rayfield  
Robert J. Routs  
James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
Roger J. Urwin  
Charles W. Wilson

Officers:

Ronald D. Southern.....Chairman of the Board  
Nancy C. Southern.....President & Chief Executive Officer  
Siegfried W. Kiefer.....Managing Director, Utilities & Chief Information Officer  
Michael M. Shaw.....Managing Director, Global Enterprises  
Karen M. Watson.....Senior Vice President & Chief Financial Officer  
Susan R. Werth.....Senior Vice President & Chief Administration Officer  
Owen G. Edmondson.....Group Vice President, Business Development Finance  
Erhard M. Kiefer.....Group Vice President, Human Resources & Corporate  
Services  
D. Terrence Davis.....Vice President, Internal Audit & Risk Management  
Paul G. Wright.....Vice President, Finance & Controller  
Carson J. Ackroyd.....Vice President, Marketing & Communications  
Robert A. Cerkiewicz.....Vice President, Business Analysis  
Ian D. Hargrave.....Vice President, Project Development  
Kevin P. Hunt.....Vice President, Pension  
Todd B. McLaren.....Vice President, Special Projects  
Patricia Spruin.....Vice President, Corporate Secretary & Administration  
Catherine M. Widdoes.....Vice President, HR Services  
Charles S. McConnell.....Treasurer  
Carol Gear.....Assistant Corporate Secretary

Description of Business:

The Corporation is a holding company which operates in the Utilities, Power Generation and Global Enterprises business segments.

**CU Inc.**

1600, 909 – 11 Avenue SW  
Calgary, AB T2R 1N6

Directors:

Loraine M. Charlton  
James W. Simpson  
Nancy C. Southern  
Roger J. Urwin  
Karen M. Watson

Officers:

Nancy C. Southern .....Chairman, President & Chief Executive Officer  
James W. Simpson .....Deputy Chairman  
Susan R. Werth .....Senior Vice President & Chief Administration Officer  
Karen M. Watson .....Senior Vice President & Chief Financial Officer  
Paul G. Wright .....Vice President, Finance & Controller  
Charles S. McConnell .....Treasurer  
Patricia Spruin.....Corporate Secretary  
Carol Gear.....Assistant Corporate Secretary

Description of Business:

The Corporation is a holding company which operates in the Utilities and Power Generation business segments.

**Northland Utilities (NWT) Limited**

66 Woodland Drive, Bay 1  
Hay River, NT  
X0E 1G1

Directors:

Darrell K. Beaulieu  
Loraine M. Charlton  
Siegfried W. Kiefer  
Gregory Nyuli  
Sett F. Policicchio  
James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
John C. Walker

Officers:

Nancy C. Southern.....Chairman of the Board & Chief Executive Officer  
Siegfried W. Kiefer.....Managing Director, Utilities  
Sett F. Policicchio.....President  
Dennis A. DeChamplain.....Vice President, Controller  
Patricia Spruin.....Secretary  
Carol Gear.....Assistant Secretary

Description of Business:

Northland Utilities (NWT) delivers electricity to approximately 2,100 commercial and residential customers in the Northwest Territories.

**Northland Utilities (Yellowknife) Limited**

481 Range Lake Road  
Yellowknife, NT  
X1A 3A6

Directors:

Darrell K. Beaulieu  
Loraine M. Charlton  
Siegfried W. Kiefer  
Gregory Nyuli  
Sett F. Policicchio  
James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
John C. Walker

Officers:

Nancy C. Southern.....Chairman of the Board & Chief Executive Officer  
Siegfried W. Kiefer.....Managing Director, Utilities  
Sett F. Policicchio.....President  
Dennis A. DeChamplain.....Vice President, Controller  
Patricia Spruin.....Secretary  
Carol Gear.....Assistant Secretary

Description of Business:

Northland Utilities (Yellowknife) delivers electricity to approximately 7,900 commercial and residential customers in Yellowknife.

**Norven Holdings Inc.**  
20th Floor, 10035 - 105 Street  
Edmonton, AB  
T5J 2V6

Directors:

Loraine M. Charlton  
James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
Karen M. Watson

Officers:

Nancy C. Southern .....Chairman of the Board & Chief Executive Officer  
Siegfried W. Kiefer .....Managing Director  
Sett F. Policicchio .....President  
Dennis A. DeChamplain .....Vice President, Controller  
Patricia Spruin.....Secretary  
Carol Gear .....Assistant Secretary

Description of Business:

Norven Holdings Inc. owns 76% of the common shares of Northland Utilities Enterprises Ltd.

**Spruce Meadows**

R.R. 9  
Calgary, AB  
T2J 5G5

Directors and Officers:

Margaret E. Southern .....Chairman  
Linda A. Heathcott.....President & Chief Executive Officer  
Ian Allison.....Vice President, Television & Media Services  
Randy Fedorak .....Vice President, Director, Special Features

Description of Business:

Spruce Meadows is an equestrian centre located on Calgary’s southern city limits in the Foothills Municipality. It has been in operation since 1975 and was created for the development of the equestrian sport in Alberta and Canada. Recently Spruce Meadows was voted the Number One Show Jumping Venue in the world.

**The Yukon Electrical Company Limited**

#100, 1100 – First Avenue  
Whitehorse, YT  
Y1A 3T4

Directors:

Lorraine M. Charlton  
James W. Simpson  
Nancy C. Southern  
Ronald D. Southern  
Karen M. Watson

Officers:

Nancy C. Southern .....Chairman of the Board & Chief Executive Officer  
Siegfried W. Kiefer .....Managing Director, Utilities  
Sett F. Policicchio .....President  
Dennis A. DeChamplain .....Vice President, Controller  
Patricia Spruin.....Secretary  
Carol Gear.....Assistant Secretary

Description of Business:

The Yukon Electrical Company delivers electricity to approximately 15,300 commercial and residential customers in the Yukon.

**AFFILIATE COMPLIANCE PLAN**  
**Directors and Officers for Affiliates**  
**as of December 31, 2008**

NAME	Common Director	Common Officer	ATCO Electric	ATCO Gas and Pipelines Ltd.	ATCO Gas Division	ATCO Pipelines Division	CU Water	Other Non-Utility Affiliates
Arndt, S.				O		O		No
Baer, R.V.			O	O	O	O		No
Bale, B.R.				O	O		O	No
Beckett , W.J.			O	O	O	O		No
Belsheim, D.E.				O	O			No
Boven, R.			O					No
Carroll, J.J.			O					No
Carter, K.D.				O	O			No
Charlton, L.M.	√		D	D			D	D
DeChamplain, D.A.		√	O					O-N60
Dixon, A.J.				O		O		No
Dolan, B.G.				O	O			No
Gear, C.		√	O	O	O	O	O	O
Goguen, P.G.			O					No
Hahn, B.R.				O	O		O	No
Jansen, E.L.				O		O		No
Jones, D.R.			O					No
Kiefer, S.W.		√	O (MD)	O (MD)	O (MD)	O (MD)	O (MD)	O (MD)
Kong, D.S.				O	O			No
Myles, R.J.		√		O		O		O
O'Brien, M.J.				O	O			No
Policicchio, S.F.		√	O					D and O-N60
Sakowsky, K.K.			O					No
Salters, A.J.				O		O		No
Simpson, J.W.	√		D	D			D	D and O
Southern, N.C.	√	√	D and O	D and O	O	O	D and O	D and O
Southern, R.D.	√		D	D			D	D and O
Spruin, P.		√	O	O	O	O	O	O
Stephens, W.P.				O	O			No
Teeuwsen, C.H.					M		M	No
Watson, K.M.	√		D	D			D	D and O

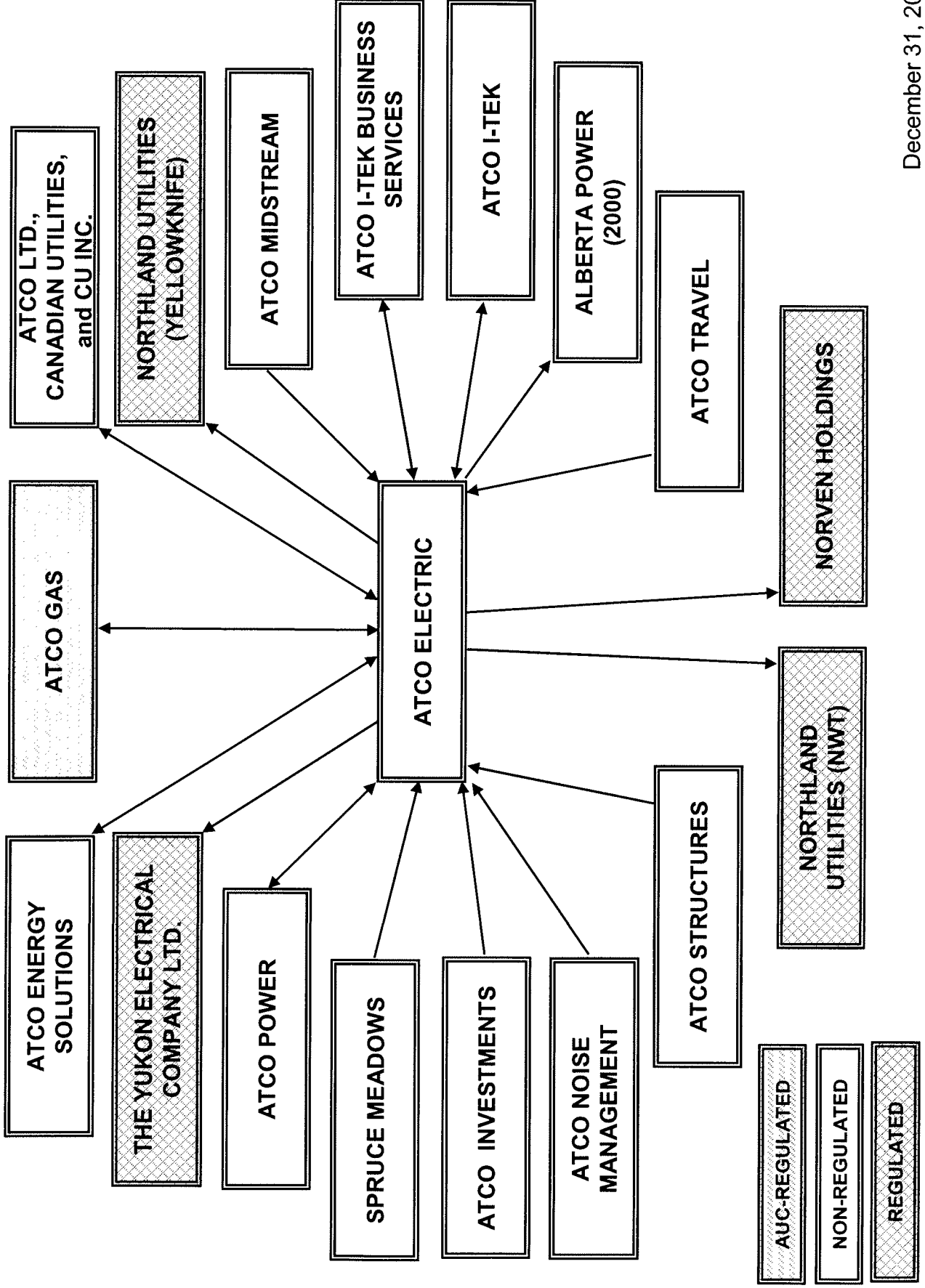
Legend

D – Director MD – Managing Director N60 – North of 60 Companies O – Officer

**ATCO UTILITIES**  
**ATCO ELECTRIC (AE), ATCO GAS (AG), ATCO PIPELINES (AP) AND CU WATER (CUW)**  
**SECTION 3.1 GOVERNANCE**  
**as of December 31, 2008**

Name	UTILITIES					POSITION		CODE SUB-SECTION				
	AE	AG	AP	CUW	All	Common Director	Common Officer	Separate Operations 3.1.1	Common Directors 3.1.2	Separate Management 3.1.3	Separate Management Exception 3.1.4	Guiding Principle 3.1.5
Baer, R.V.	X	X	X							X		X
Bale, B.R.		X		X						X		X
Beckett, W.J.	X	X	X							X		X
Charlton, L.M.					X	X		X	X			X
DeChamplain, D.A.	X						X			X	X	X
Gear, C.					X		X	X		X		X
Hahn, B.R.		X		X						X		X
Kiefer, S.W.					X		X			X	X	X
Myles, R.J.			X				X			X		X
Policicchio, S.F.	X						X			X	X	X
Simpson, J.W.					X	X		X	X			X
Southern, N.C.					X	X	X	X	X	X		X
Southern, R.D.					X	X		X	X			X
Spruin, P.					X		X	X		X		X
Teeuwsen, C.H.		X		X						X		X
Watson, K.M.					X	X		X	X			X

# ATCO ELECTRIC AFFILIATE TRANSACTIONS



# ATCO ELECTRIC AFFILIATE TRANSACTIONS

**ATCO GAS**

Services Received

- Administrative Services – Edmonton
- Fleet Maintenance – Peace River
- Fleet Maintenance – Slave Lake
- Materials Management – Vegreville
- Shared Office Services – Cold Lake
- Shared Office Services – Electric to Gas
- Shared Office Services – Fort McMurray
- Shared Office Services – Grande Prairie
- Shared Office Services – Jasper
- Shared Office Services – Oyen
- Shared Office Services – Peace River
- Shared Office Services – Slave Lake
- Shared Office Services – Swan Hills
- Shared Office Services – Vegreville and Vermilion
- Tower and Circuit Leases

**ATCO ELECTRIC**

**ATCO ELECTRIC**

Services Received

- Transmission
- Joint Use of Poles

Services Provided

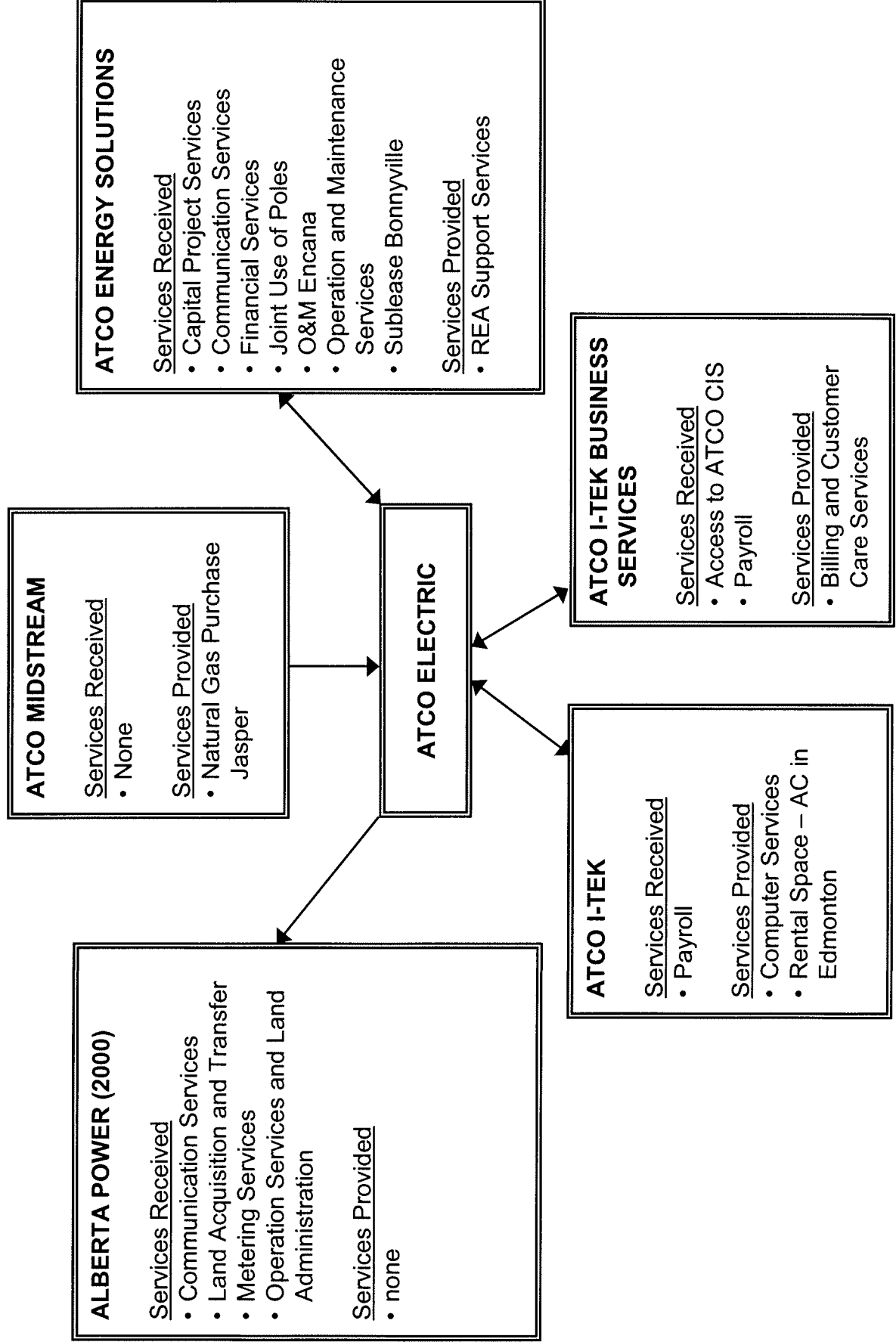
- Distribution
- Joint Use of Poles

**ATCO GAS**

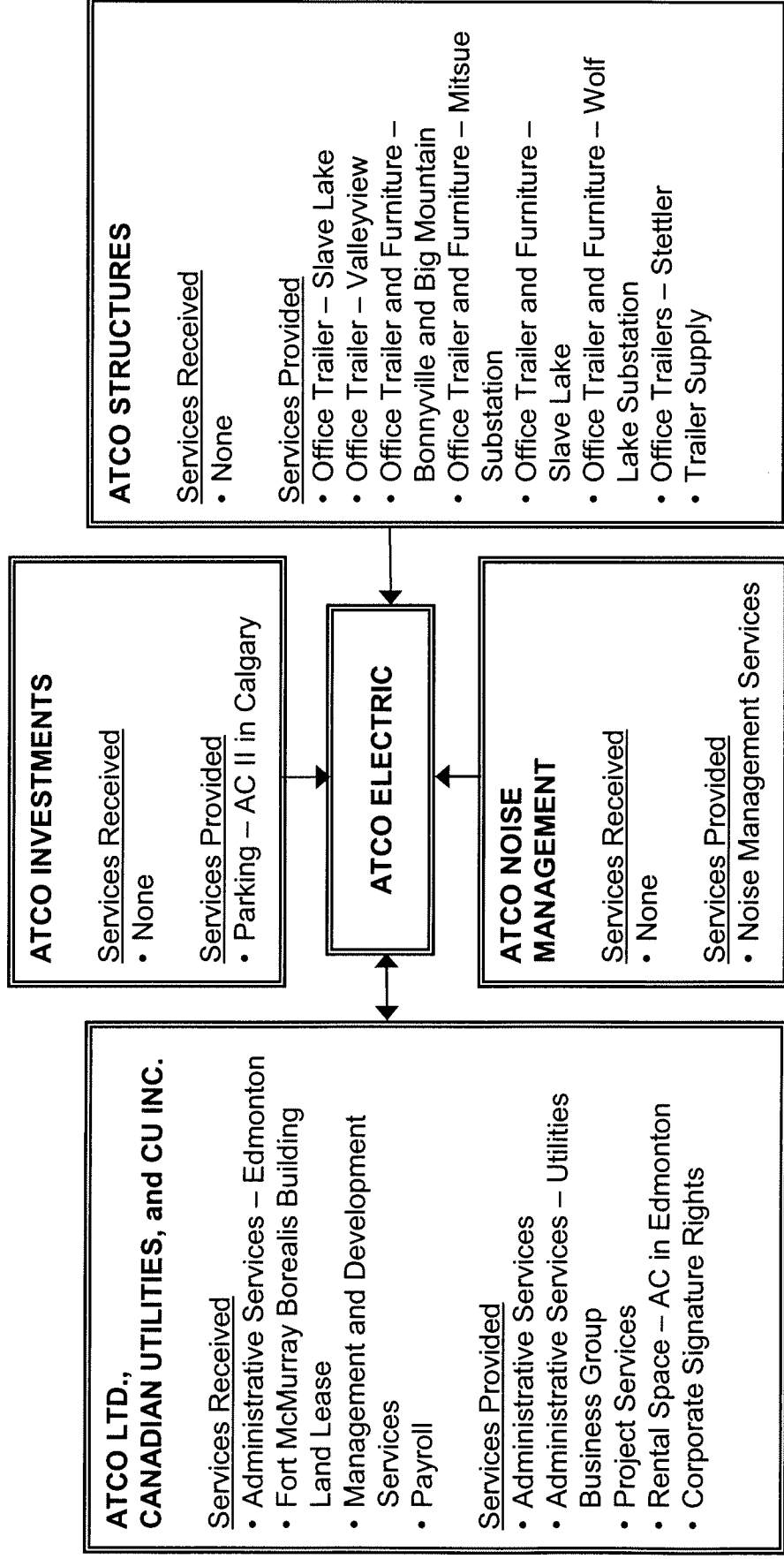
Services Provided

- Electronics & Instrumentation Services – Calgary
- Joint Trench – Grande Prairie
- Mechanical Services – Fleet Rig Up
- Office Services
- Parking – AC I in Calgary
- Project Services
- Rental Space – AC in Calgary
- Shared Office Services – Cold Lake
- Shared Office Services – Fort McMurray
- Shared Office Services – Gas to Electric
- Shared Office Services – Vermilion
- Tower Lease - ACE

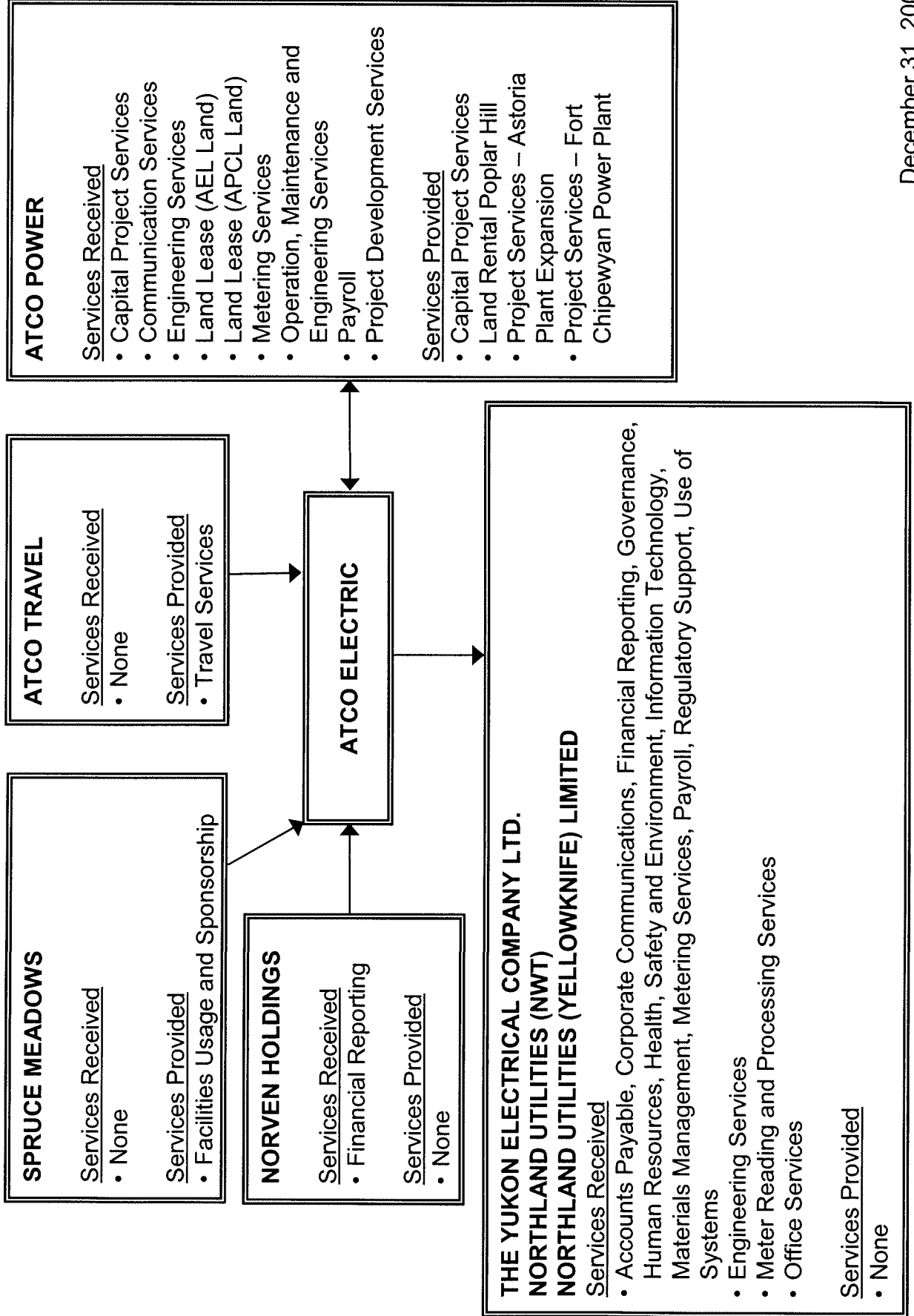
# ATCO ELECTRIC AFFILIATE TRANSACTIONS



# ATCO ELECTRIC AFFILIATE TRANSACTIONS



# ATCO ELECTRIC AFFILIATE TRANSACTIONS



**SPRUCE MEADOWS**

- Services Received
- None
- Services Provided
- Facilities Usage and Sponsorship

**NORVEN HOLDINGS**

- Services Received
- Financial Reporting
- Services Provided
- None

**ATCO TRAVEL**

- Services Received
- None
- Services Provided
- Travel Services

**ATCO ELECTRIC**

**ATCO POWER**

- Services Received
- Capital Project Services
  - Communication Services
  - Engineering Services
  - Land Lease (AEL Land)
  - Land Lease (APCL Land)
  - Metering Services
  - Operation, Maintenance and Engineering Services
  - Payroll
  - Project Development Services

Services Provided

- Capital Project Services
- Land Rental Poplar Hill
- Project Services – Astoria Plant Expansion
- Project Services – Fort Chipewyan Power Plant

**THE YUKON ELECTRICAL COMPANY LTD. NORTHLAND UTILITIES (NWT) NORTHLAND UTILITIES (YELLOWKNIFE) LIMITED**

- Services Received
- Accounts Payable, Corporate Communications, Financial Reporting, Governance, Human Resources, Health, Safety and Environment, Information Technology, Materials Management, Metering Services, Payroll, Regulatory Support, Use of Systems
  - Engineering Services
  - Meter Reading and Processing Services
  - Office Services

Services Provided

- None

**ATCO Electric**  
**Summary of Major Transactions**  
**For the Year To Date to December 31, 2008**

Service Name	Description	Transaction With	2008 Actual \$'000
<b>REVENUE / EXPENSE</b>			
<b>JOINT USE OF POLES</b>			
Joint Use of Poles	Provision of all personnel, materials and supervision necessary for the joint used of poles owned by AET.	Transmission & Distribution	578
<b>TOTAL JOINT USE OF POLES REVENUE / EXPENSE</b>			<b>578</b>
<b>REVENUES</b>			
<b>VARIOUS SERVICES</b>			
Various Services	Corporate governance, policy and strategic direction, financial reporting, human resources, health, safety and environment, information technology, corporate communications, payroll, regulatory support, use of systems, materials management and metering services.	Northland Utilities (NWT) Limited	520
<b>TOTAL VARIOUS SERVICES REVENUE</b>			<b>520</b>
<b>CAPITAL PROJECT SERVICES</b>			
Capital Project Services	Provision of design and project engineering, construction management, HS&E and financial services for capital project work.	ATCO Energy Solutions	855
<b>TOTAL CAPITAL PROJECT SERVICES REVENUE</b>			<b>855</b>
<b>CANADIAN UTILITIES LIMITED, CU INC. AND ATCO LTD.</b>			
<b>INTEREST ON SHORT TERM ADVANCES</b>			
Interest on Short Term Advances		CU Inc.	562
Interest on Short Term Advances	Interest revenue on short term advances	The Yukon Electrical Company Limited	69
Interest on Short Term Advances		Northland Utilities (Yellowknife) Limited	205
Interest on Short Term Advances		ATCO Energy Solutions Ltd.	43
<b>TOTAL INTEREST ON SHORT TERM ADVANCES REVENUE</b>			<b>879</b>
<b>INTEREST ON LONG TERM DEBT</b>			
Interest on Long Term Debt		The Yukon Electrical Company Limited	1,721
Interest on Long Term Debt	Interest revenue on debentures	Northland Utilities (NWT) Limited	410
Interest on Long Term Debt		Northland Utilities (Yellowknife) Limited	835
<b>TOTAL INTEREST ON LONG TERM DEBT REVENUE</b>			<b>2,966</b>
<b>EXPENSES</b>			
<b>PROJECT SERVICES</b>			
Project Services	Provision of services for the implementation of the Oracle-based human resources management system (HRMS).	ATCO Ltd.	2,530
<b>PROJECT SERVICES EXPENSE</b>			<b>2,530</b>
<b>ADMINISTRATIVE SERVICES</b>			
Corporate Aircraft	Use of corporate aircraft	Canadian Utilities Limited	1,207
Administrative Services	Corporate governance, policy and strategic direction, corporate secretarial, financial, human resources, information technology, insurance, internal audit, finance and treasury.	Canadian Utilities Limited	1,532
Administrative Services		CU Inc.	116
Administrative Services		ATCO Ltd.	7,662
<b>TOTAL ADMINISTRATIVE SERVICES EXPENSE</b>			<b>10,517</b>
<b>RENT (CU LTD)</b>			
Rental Space - AC In Edmonton	Subleasing of space in the ATCO Centre in Edmonton and share of operating expenses.	Canandian Utilities Limited	3,482
<b>TOTAL RENT EXPENSE</b>			<b>3,482</b>
<b>TRADEMARK LICENSE USE (ATCO LTD)</b>			
Corporate Signature Rights	Use of trademarks in authorized territories and business operations.	ATCO Ltd.	1,250
<b>TOTAL TRADEMARK LICENSE USE (ATCO LTD) EXPENSE</b>			<b>1,250</b>
<b>INTEREST ON SHORT TERM ADVANCES</b>			
Interest on Short Term Advances		CU Inc.	847
Interest on Short Term Advances	Interest expense on short term advances	Norven Holdings Inc.	22
<b>TOTAL INTEREST ON SHORT TERM ADVANCES EXPENSE</b>			<b>869</b>
<b>INTEREST ON LONG TERM DEBT</b>			
Interest on Long Term Debt	Interest expense on debentures	CU Inc.	76,942
<b>TOTAL INTEREST ON LONG TERM DEBT EXPENSE</b>			<b>76,942</b>
<b>DIVIDENDS ON EQUITY PREFERRED SHARES</b>			
Dividends on Equity Preferred Shares	Dividend expense on equity preferred shares	CU Inc.	2,806
Dividends on Equity Preferred Shares		Canadian Utilities Limited	2,055
<b>TOTAL DIVIDENDS ON EQUITY PREFERRED SHARES EXPENSE</b>			<b>4,861</b>

**ATCO Electric**  
**Summary of Major Transactions**  
**For the Year To Date to December 31, 2008**

<u>Service Name</u>	<u>Description</u>	<u>Transaction With</u>	<u>2008 Actual</u> \$'000
<b><u>COMPUTER SERVICES</u></b>			
Information Technology Services	IT applications, maintenance and enhancements, operations support of mainframe and distributed systems, operational technology support, customer support and data and voice telecommunication services Preparation of scope documents and the development, testing implementation, operation and maintenance of new systems and technologies.	ATCO I-Tek Inc.	26,075
<b>TOTAL COMPUTER SERVICES EXPENSE</b>			<b>26,075</b>
<b><u>BILLING AND CUSTOMER CARE SERVICES</u></b>			
Billing Cycle, Call Centre Services and Credit Centre Services	Maintain customer information including meter inventories, prepare and distribute customer bills, process customer payments and management of receivables, credit and collection services, respond to customer billing and service inquiries, and maintain the internal controls for each of these functions.	ATCO I-Tek Business Services Ltd.	10,336
<b>TOTAL BILLING AND CUSTOMER SERVICES CARE EXPENSE</b>			<b>10,336</b>
<b><u>PROJECT SERVICES - FORT CHIPEWYAN POWER PLANT</u></b>			
Project Services - Fort Chipewyan Power Plant	Project management; design and project engineering; construction management; materials management; health, safety and environment management and financial reporting.	ATCO Power	31,078
<b>TOTAL PROJECT SERVICES - FORT CHIPEWYAN POWER PLANT</b>			<b>31,078</b>
<b><u>OFFICE SERVICES</u></b>			
Office Services - Mailroom			116
Office Services - Printshop	Reprographics, mailing and facilities co-ordination services.	ATCO Gas	444
<b>TOTAL OFFICE SERVICES EXPENSE</b>			<b>560</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - ATCO Gas**  
**For the Year To Date to December 31, 2008**

Service Name	2008 Actual
	\$'000
<b><u>REVENUES</u></b>	
<b><u>SHARED OFFICE SERVICES</u></b>	
Shared Office Services - Peace River	110
Shared Office Services - Swan Hills	15
Shared Office Services - Fort McMurray	3
Shared Office Services - Oyen	15
Shared Office Services - Cold Lake	78
Shared Office Services - Slave Lake	18
Shared Office Services - Grande Prairie	12
Shared Office Services - Vegreville and Vermilion	51
Shared Office Services - Jasper	5
<b>TOTAL SHARED OFFICE SERVICES REVENUE</b>	<b>307</b>
<b><u>TOWER AND CIRCUIT LEASES</u></b>	
Tower and Circuit Leases	55
<b>TOTAL TOWER AND CIRCUIT LEASES REVENUE</b>	<b>55</b>
<b><u>WAREHOUSING SUPPORT REVENUE</u></b>	
Materials Management - Vegreville	5
<b>TOTAL WAREHOUSING SUPPORT REVENUE</b>	<b>5</b>
<b><u>FLEET MAINTENANCE</u></b>	
Fleet Maintenance - Peace River	21
Fleet Maintenance - Slave Lake	0
<b>TOTAL FLEET MAINTENANCE REVENUE</b>	<b>21</b>
<b><u>ADMINISTRATIVE SERVICES</u></b>	
Administrative Services - Edmonton	8
<b>TOTAL ADMINISTRATIVE SERVICES REVENUE</b>	<b>8</b>
<b><u>ASSET TRANSFER</u></b>	
Asset Transfer	285
<b>TOTAL ASSET TRANSFER</b>	<b>285</b>
<b><u>EXPENSES</u></b>	
<b><u>LEASE AGREEMENT</u></b>	
Rental Space - AC in Calgary	99
Parking - AC 1 in Calgary	3
<b>TOTAL LEASE AGREEMENT EXPENSE</b>	<b>102</b>
<b><u>SHARED OFFICE SERVICES EXPENSE</u></b>	
Shared Office Services - Fort McMurray	0
Shared Office Services - Vermilion	25
Shared Office Services - Cold Lake	10
<b>TOTAL SHARED OFFICE SERVICES EXPENSE</b>	<b>35</b>
<b><u>JOINT TRENCH - GRANDE PRAIRIE</u></b>	
Joint Trench - Grande Prairie	72
<b>TOTAL JOINT TRENCH EXPENSE</b>	<b>72</b>
<b><u>ELECTRONICS &amp; INSTRUMENTATION SERVICES - CALGARY</u></b>	
Electronics & Instrumentation Services - Calgary	0
<b>TOTAL ELECTRONICS &amp; INSTRUMENTATION SERVICES - CALGARY EXPENSE</b>	<b>0</b>
<b><u>MECHANICAL SERVICES - FLEET RIG UP</u></b>	
Mechanical Services - Fleet Rig Up	0
<b>TOTAL MECHANICAL SERVICES - FLEET RIG UP EXPENSE</b>	<b>0</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - ATCO Gas**  
**For the Year To Date to December 31, 2008**

<u>Service Name</u>	<b>2008 Actual</b>
	\$'000
<b><u>PROJECT SERVICES</u></b>	
Comprehensive Measurement and Settlement Review Project	16
<b>TOTAL PROJECT SERVICES EXPENSE</b>	<b>16</b>
<b><u>TOWER LEASE - ACE</u></b>	
Tower Lease - ACE	5
<b>TOTAL TOWER LEASE - ACE EXPENSE</b>	<b>5</b>

**Summary of Other Affiliate Transactions - Canadian Utilities Limited, CU Inc. and ATCO Ltd.  
For the Year To Date to December 31, 2008**

Service Name	2008 Actual
	\$'000
<b><u>REVENUES</u></b>	
<b><u>MANAGEMENT AND DEVELOPMENT SERVICES</u></b>	
Management and Development Services	63
<b>TOTAL MANAGEMENT AND DEVELOPMENT SERVICES REVENUE</b>	<b>63</b>
<b><u>PAYROLL SERVICES</u></b>	
Payroll	14
<b>TOTAL PAYROLL SERVICES REVENUE</b>	<b>14</b>
<b><u>LEASE AGREEMENT</u></b>	
Fort McMurray Borealis Building Land Lease	30
<b>TOTAL LEASE AGREEMENT REVENUE</b>	<b>30</b>
<b><u>ADMINISTRATIVE SERVICES</u></b>	
Administrative Services - Edmonton	28
<b>TOTAL ADMINISTRATIVE SERVICES REVENUE</b>	<b>28</b>
<b><u>EXPENSES</u></b>	
<b><u>ADMINISTRATIVE SERVICES - UTILITIES BUSINESS GROUP</u></b>	
Administrative Services - Utilities Business Group	36
<b>ADMINISTRATIVE SERVICES - UTILITIES BUSINESS GROUP EXPENSE</b>	<b>36</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - ATCO I-Tek Business Services Ltd.**  
**For the Year To Date to December 31, 2008**

<u>Service Name</u>	<u>2008 Actual</u>
	\$'000
<b><u>REVENUES</u></b>	
<b><u>PAYROLL SERVICES</u></b>	
Payroll	54
<b>TOTAL PAYROLL SERVICES REVENUE</b>	<b>54</b>
<b><u>CIS LICENSE AGREEMENT</u></b>	
Access to ATCO CIS	28
<b>TOTAL CIS LICENSE AGREEMENT REVENUE</b>	<b>28</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - ATCO I-Tek Inc.**  
**For the Year To Date to December 31, 2008**

<u>Service Name</u>	<u>2008 Actual</u>
	\$'000
<b><u>REVENUES</u></b>	
<b><u>PAYROLL SERVICES</u></b>	
Payroll	108
<b>TOTAL PAYROLL SERVICES REVENUE</b>	<b>108</b>
<b><u>EXPENSES</u></b>	
<b><u>RENT (ATCO I-TEK)</u></b>	
Rental Space - AC in Edmonton	138
<b>TOTAL RENT EXPENSE</b>	<b>138</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - Alberta Power (2000) Ltd.**  
**For the Year To Date to December 31, 2008**

Service Name	2008 Actual
	\$'000
<b><u>REVENUES</u></b>	
<b><u>OPERATION SERVICES &amp; LAND ADMINISTRATION</u></b>	
Operation Services & Land Administration	28
<b>TOTAL OPERATION SERVICES &amp; LAND ADMINISTRATION REVENUE</b>	<b>28</b>
<b><u>LAND ACQUISITION AND TRANSFER SERVICE</u></b>	
Land Acquisition and Transfer	16
<b>TOTAL LAND ACQUISITION AND TRANSFER SERVICE REVENUE</b>	<b>16</b>
<b><u>METERING SERVICES</u></b>	
Metering Services	35
<b>TOTAL METERING SERVICES REVENUE</b>	<b>35</b>
<b><u>COMMUNICATION SERVICES</u></b>	
Communication Services	16
<b>TOTAL COMMUNICATION SERVICES REVENUE</b>	<b>16</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - ATCO Power Ltd.**  
**For the Year To Date to December 31, 2008**

Service Name	2008 Actual
	\$'000
<b><u>REVENUES</u></b>	
<b><u>PAYROLL SERVICES</u></b>	
Payroll	94
<b>TOTAL PAYROLL SERVICES REVENUE</b>	<b>94</b>
<b><u>OPERATION, MAINTENANCE AND ENGINEERING SERVICES</u></b>	
Operation, Maintenance and Engineering Services	78
<b>TOTAL OPERATION, MAINTENANCE AND ENGINEERING SERVICES REVENUE</b>	<b>78</b>
<b><u>ENGINEERING SERVICES</u></b>	
Engineering Services	3
<b>TOTAL ENGINEERING SERVICES REVENUE</b>	<b>3</b>
<b><u>CAPITAL PROJECT SERVICES</u></b>	
Capital Project Services	23
<b>TOTAL CAPITAL PROJECT SERVICES REVENUE</b>	<b>23</b>
<b><u>PROJECT DEVELOPMENT SERVICES</u></b>	
Project Development Services	75
<b>TOTAL PROJECT DEVELOPMENT SERVICES REVENUE</b>	<b>75</b>
<b><u>METERING SERVICES</u></b>	
Metering Services	18
<b>TOTAL METERING SERVICES REVENUE</b>	<b>18</b>
<b><u>COMMUNICATION SERVICES</u></b>	
Communication Services	34
<b>TOTAL COMMUNICATION SERVICES REVENUE</b>	<b>34</b>
<b><u>LAND LEASE</u></b>	
Land Lease	4
<b>TOTAL LAND LEASE REVENUE</b>	<b>4</b>
<b><u>EXPENSES</u></b>	
<b><u>SUBSTATION LEASE EXPENSE</u></b>	
Land Rental Poplar Hill	2
<b>TOTAL SUBSTATION LEASE EXPENSE</b>	<b>2</b>
<b><u>LAND LEASE EXPENSE</u></b>	
Land Lease	1
<b>TOTAL LAND LEASE EXPENSE</b>	<b>1</b>
<b><u>CAPITAL PROJECT SERVICES</u></b>	
Capital Project Services	0
<b>TOTAL CAPITAL PROJECT SERVICES EXPENSE</b>	<b>0</b>
<b><u>Project Services - Astoria Plant Expansion</u></b>	
Project Services - Astoria Plant Expansion	232
<b>TOTAL PROJECT SERVICES - ASTORIA PLANT EXPANSION</b>	<b>232</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - ATCO Energy Solutions Ltd.**  
**For the Year To Date to December 31, 2008**

Service Name	2008 Actual
	\$'000
<b><u>REVENUES</u></b>	
<b><u>ADMINISTRATIVE SERVICES</u></b>	
Financial Services	22
<b>TOTAL ADMINISTRATIVE SERVICES REVENUE</b>	<b>22</b>
<b><u>OPERATIONS AND MAINTENANCE SERVICES</u></b>	
Operation and Maintenance Services	45
O&M Encana	3
<b>TOTAL OPERATION AND MAINTENANCE SERVICES REVENUES</b>	<b>48</b>
<b><u>JOINT USE OF POLES</u></b>	
Joint Use of Poles	14
<b>TOTAL JOINT USE OF POLES REVENUES</b>	<b>14</b>
<b><u>SUBLEASE BONNYVILLE</u></b>	
Sublease Bonnyville	1
<b>TOTAL SUBLEASE BONNYVILLE REVENUE</b>	<b>1</b>
<b><u>COMMUNICATION SERVICES</u></b>	
Communication Services	9
<b>TOTAL COMMUNICATION SERVICES REVENUE</b>	<b>9</b>
<b><u>EXPENSES</u></b>	
<b><u>REA SUPPORT SERVICES</u></b>	
Support Services	12
<b>TOTAL REA SUPPORT SERVICES EXPENSE</b>	<b>12</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - Norven Holdings Inc.**  
**For the Year To Date to December 31, 2008**

Service Name	2008 Actual
	\$'000
<b><u>REVENUES</u></b>	
<b><u>ADMINISTRATIVE SERVICES</u></b>	
Financial Reporting	1
<b>TOTAL ADMINISTRATIVE SERVICES REVENUE</b>	<b>1</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - The Yukon Electrical Company Limited**  
**For the Year To Date to December 31, 2008**

<u>Service Name</u>	<u>2008 Actual</u>
	\$'000
<b><u>REVENUES</u></b>	
<b><u>VARIOUS SERVICES</u></b>	
Various Services	318
<b>TOTAL VARIOUS SERVICES REVENUE</b>	<b>318</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - Northland Utilities (Yellowknife) Limited**  
**For the Year To Date to December 31, 2008**

<u>Service Name</u>	<b>2008 Actual</b>
	\$'000
<b><u>REVENUES</u></b>	
<b><u>VARIOUS SERVICES</u></b>	
Various Services	430
<b>TOTAL VARIOUS SERVICES REVENUE</b>	<b>430</b>
<b><u>ENGINEERING SERVICES</u></b>	
Engineering Services	24
<b>TOTAL ENGINEERING SERVICES REVENUE</b>	<b>24</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - ATCO Midstream Ltd.**  
**For the Year To Date to December 31, 2008**

<u>Service Name</u>	<b>2008 Actual</b>
	\$'000
<b><u>EXPENSES</u></b>	
<b><u>NATURAL GAS PURCHASE EXPENSE</u></b>	
Natural Gas Purchase Jasper	22
<b>TOTAL NATURAL GAS PURCHASE EXPENSE</b>	<b>22</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - ATCO Travel Ltd.**  
**For the Year To Date to December 31, 2008**

Service Name	2008 Actual
<b><u>EXPENSES</u></b>	\$'000
<b><u>TRAVEL SERVICES EXPENSE</u></b>	
Travel Services	183
<b><u>TOTAL TRAVEL SERVICES EXPENSE</u></b>	<b>183</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - Spruce Meadows**  
**For the Year To Date to December 31, 2008**

Service Name	2008 Actual
	\$'000
<b><u>EXPENSES</u></b>	
<b><u>FACILITIES SPONSORSHIP EXPENSE</u></b>	
Facilities Usage and Sponsorship	142
<b>TOTAL FACILITIES SPONSORSHIP EXPENSE</b>	<b>142</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - ATCO Investments**  
**For the Year To Date to December 31, 2008**

<u>Service Name</u>	<b>2008 Actual</b>
	\$'000
 <b><u>EXPENSES</u></b>	
<b><u>RENT</u></b>	
Parking - AC II in Calgary	6
<b>TOTAL ATCO INVESTMENTS LTD. EXPENSE</b>	<b>6</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - ATCO Structures**  
**For the Year To Date to December 31, 2008**

Service Name	2008 Actual
	\$'000
<b>EXPENSES</b>	
<b>OFFICE TRAILERS - STETTLER</b>	
Office Trailers - Stettler	133
<b>TOTAL OFFICE TRAILERS - STETTLER EXPENSE</b>	<b>133</b>
<b>OFFICE TRAILER - SLAVE LAKE</b>	
Office Trailer - Slave Lake	1
<b>TOTAL OFFICE TRAILER - SLAVE LAKE EXPENSE</b>	<b>1</b>
<b>OFFICE TRAILER AND FURNITURE- SLAVE LAKE</b>	
Office Trailer and Furniture - Slave Lake	3
<b>TOTAL OFFICE TRAILER AND FURNITURE - SLAVE LAKE EXPENSE</b>	<b>3</b>
<b>OFFICE TRAILER - MITSUE SUBSTATION</b>	
Office Trailer and Furniture - Mitsue Substation	3
<b>TOTAL OFFICE TRAILER - MITSUE SUBSTATION EXPENSE</b>	<b>3</b>
<b>OFFICE TRAILER - BONNYVILLE AND BIG MOUNTAIN</b>	
Office Trailer and Furniture - Bonnyville and Big Mountain	6
<b>TOTAL OFFICE TRAILER - BONNYVILLE AND BIG MOUNTAIN EXPENSE</b>	<b>6</b>
<b>OFFICE TRAILER AND FURNITURE - WOLF LAKE SUBSTATION</b>	
Office Trailer and Furniture - Wolf Lake Substation	5
<b>TOTAL OFFICE TRAILER AND FURNITURE - WOLF LAKE EXPENSE</b>	<b>5</b>
<b>TRAILER SUPPLY</b>	
Trailer Supply	74
<b>TOTAL TRAILER SUPPLY EXPENSE</b>	<b>74</b>
<b>OFFICE TRAILER - VALLEYVIEW</b>	
Office Trailer - Valleyview	27
<b>TOTAL OFFICE TRAILER - VALLEYVIEW EXPENSE</b>	<b>27</b>

**ATCO Electric**  
**Summary of Other Affiliate Transactions - ATCO Noise Management**  
**For the Year To Date to December 31, 2008**

Service Name	2008 Actual
	\$'000
<b><u>EXPENSE</u></b>	
<b><u>NOISE MANAGEMENT SERVICES</u></b>	
Noise Management Services	6
<b>TOTAL NOISE MANAGEMENT SERVICES EXPENSES</b>	<b>6</b>

ATCO Electric  
Summary of Occasional Services  
For the 2008 Reporting Period

Number	Service Name	Description	Transaction With	2008 Actuals \$000
<b><u>REVENUES</u></b>				
1	Operations and Maintenance	Battle River Station maintenance	Alberta Power (2000)	\$8
2	South Creek Hydro	Hydro-electric project	ATCO Power	\$4
3	Maintenance - Sturgeon Plant Substation	Maintenance	ATCO Power	\$11
4	Engineering Services	Engineering consulting services	NWT	\$3
5	Communication with ION's	Communication with ION's upgrade	NUY	\$9
<b><u>EXPENSES</u></b>				
6	Event Costs	CU Pensioners Association 2008 Banquet	ATCO Gas	\$7
7	Executive Assistant Support	Temporary Executive Assistant Backfill	ATCO Gas	\$4

## **Appendix 8**

### **ATCO Electric Emergency Services Report**

**For consistency in numbering, there is no Appendix 8 attached to this Report**

**ATCO ELECTRIC  
2008 EMPLOYEE TRANSFERS, TEMPORARY ASSIGNMENTS AND SECONDMENTS WITH AFFILIATES**

**EMPLOYEES TRANSFERRING FROM ATCO ELECTRIC TO AFFILIATES**

<b>Job Title</b>	<b>Employment Type</b>	<b>Transferred To</b>	<b>Effective Date</b>	<b>Type of Transfer/Reason</b>	<b>Date Confidentiality Agreement Signed</b>
Electrical Technologist, Senior Qualified	Permanent	Northland Utilities (Yellowknife)	April 7, 2008	Career Opportunity	March 31, 2008
Powerlineman Apprentice VIII	Permanent	YECL	August 25, 2008	Career Opportunity	July 3, 2008
EIT Electrical	Permanent	YECL	August 1, 2008	Career Opportunity	April 18, 2008
Sr. Real Time Analyst	Permanent	ATCO Power	September 3, 2008	Career Opportunity	September 9, 2008

**EMPLOYEES SECONDED FROM ATCO ELECTRIC TO AFFILIATES**

<b>Job Title</b>	<b>Employment Type</b>	<b>Seconded To</b>	<b>Effective Date</b>	<b>Type of Transfer/Reason</b>	<b>Date Confidentiality Agreement Signed</b>
HR Generalist	Permanent	ATCO HRXcellence	February 19, 2008	Secondment	February 8, 2008
Private Secretary	Permanent	ATCO Energy Solutions	January 2, 2008	Secondment (Mat Leave Coverage)	January 2, 2008
Supervisor, Payroll	Permanent	ATCO HRXcellence	November 1, 2007	Secondment	December 5, 2007

**ATCO ELECTRIC  
2008 EMPLOYEE TRANSFERS, TEMPORARY ASSIGNMENTS AND SECONDMENTS WITH AFFILIATES**

**EMPLOYEES TRANSFERRING TO ATCO ELECTRIC FROM AFFILIATES**

<b>Job Title</b>	<b>Employment Type</b>	<b>Transferred From</b>	<b>Effective Date</b>	<b>Type of Transfer/Reason</b>
Clerk III	Permanent	ATCO I-Tek	January 7, 2008	Career Opportunity
Clerk II	Permanent	ATCO I-Tek	January 7, 2008	Career Opportunity
Technical Resources Tech Entry	Permanent	ATCO I-Tek	January 16, 2008	Career Opportunity
Clerk V	Permanent	ATCO I-Tek	February 18, 2008	Career Opportunity
Project Manager	Permanent	ATCO Gas	February 25, 2008	Career Opportunity
Supervisor, Northern Isol. Ops.	Permanent	ATCO Power	March 3, 2008	Career Opportunity
Corporate Accountant I	Permanent	ATCO Gas	March 3, 2008	Career Opportunity
Technical Resources Tech, Senior Qualified	Permanent	ATCO I-Tek	April 15, 2008	Career Opportunity
Regulatory Analyst	Permanent	ATCO Gas	April 14, 2008	Career Opportunity
Clerk III	Permanent	ATCO I-Tek	April 21, 2008	Career Opportunity
Clerk III	Permanent	ATCO I-Tek	May 1, 2008	Career Opportunity
Account Representative	Permanent	ATCO I-Tek	May 20, 2008	Career Opportunity
Field Services Representative	Permanent	Northland Utilities (Yellowknife)	May 26, 2008	Career Opportunity
Field Services Representative	Probationary	ATCO Power	July 9, 2008	Career Opportunity
Corporate Accountant II	Permanent	ATCO Gas	July 14, 2008	Career Opportunity
Clerk IV Training & Development	Permanent	ATCO I-Tek	September 15, 2008	Career Opportunity
Clerk III - Forest Operations	Permanent	ATCO I-Tek	September 8, 2008	Career Opportunity
Clerk III	Permanent	ATCO I-Tek	November 10, 2008	Career Opportunity
Clerk III	Permanent	ATCO I-Tek	December 15, 2008	Career Opportunity

**ATCO ELECTRIC/ATCO GAS/ATCO PIPELINES  
COMMON GROUP EMPLOYEES  
AGREEMENT**

**As amended August 18, 2008**

**ATCO ELECTRIC**

**ATCO GAS**

**ATCO PIPELINES**



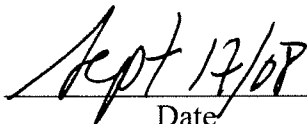
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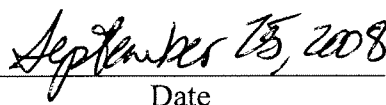
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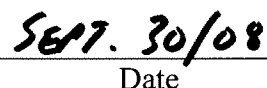
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Date



Date

APPENDIX

ATCO ELECTRIC/ATCO GAS/ATCO PIPELINES  
COMMON GROUP EMPLOYEES AGREEMENT

dated August 1, 2005 among

ATCO Electric, ATCO Gas and ATCO Pipelines

as amended August 18, 2008

COST ALLOCATION METHODOLOGY

Vice President, Government Affairs, Communications and Corporate Initiatives

Director, Government Liaison

Manager, Government Affairs

Senior Analyst, Government Affairs

Administrative Assistant

- All costs will be allocated on the basis of 40 percent to ATCO Electric, 40 percent to ATCO Gas and 20 percent to ATCO Pipelines. This allocation methodology is based on the estimated amount of time required to perform the work for each utility.

Director, IT Governance

Manager, IT Governance Operations

Supervisor, Information Technology

Senior Consultant

- All costs will be allocated on the basis of 40 percent to ATCO Electric, 40 percent to ATCO Gas and 20 percent to ATCO Pipelines. This allocation methodology is based on the estimated amount of time required to perform the work for each utility.

Director, Aboriginal Relations

- All costs will be allocated on the basis of 80 percent to ATCO Electric, 10 percent to ATCO Gas and 10 percent to ATCO Pipelines. This allocation methodology is based on the estimated amount of time required to perform the work for each utility.

Executive Vice President & Chief Regulatory Officer

Executive Assistant to the Executive Vice President & Chief Regulatory Officer

Manager, Regulatory

Supervisor, Regulatory

Senior Analyst, Regulatory

Clerk D – Office Support

- All costs will be allocated on the basis of 40 percent to ATCO Electric, 40 percent to ATCO Gas and 20 percent to ATCO Pipelines. This allocation methodology is based on the estimated amount of time required to perform the work for each utility.

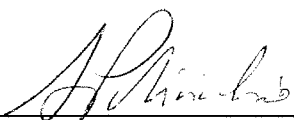
**ATCO ELECTRIC/ATCO GAS/ATCO PIPELINES  
COMMON GROUP EMPLOYEES  
AGREEMENT**

**As amended September 15, 2008**

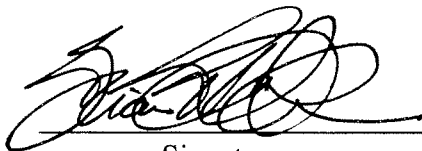
**ATCO ELECTRIC**

**ATCO GAS**

**ATCO PIPELINES**



Signature



Signature



Signature

*December 14/08*

Date

*December 19, 2008*

Date

*DEC. 24/08*

Date

APPENDIX

ATCO ELECTRIC/ATCO GAS/ATCO PIPELINES  
COMMON GROUP EMPLOYEES AGREEMENT

dated August 1, 2005 among

ATCO Electric, ATCO Gas and ATCO Pipelines

as amended September 15, 2008

COST ALLOCATION METHODOLOGY

Vice President, Government Affairs, Communications and Corporate Initiatives

Director, Government Liaison

Manager, Government Affairs

Senior Analyst, Government Affairs

Administrative Assistant

- All costs will be allocated on the basis of 40 percent to ATCO Electric, 40 percent to ATCO Gas and 20 percent to ATCO Pipelines. This allocation methodology is based on the estimated amount of time required to perform the work for each utility.

Director, IT Governance

Manager, IT Governance Operations

Supervisor, Information Technology

Senior Consultant

- All costs will be allocated on the basis of 40 percent to ATCO Electric, 40 percent to ATCO Gas and 20 percent to ATCO Pipelines. This allocation methodology is based on the estimated amount of time required to perform the work for each utility.

Director, Aboriginal Relations

- All costs will be allocated on the basis of 80 percent to ATCO Electric, 10 percent to ATCO Gas and 10 percent to ATCO Pipelines. This allocation methodology is based on the estimated amount of time required to perform the work for each utility.

Executive Vice President & Chief Regulatory Officer

Executive Assistant to the Executive Vice President & Chief Regulatory Officer

Manager, Regulatory

Senior Analyst, Regulatory

Manager, Utilities Compliance Office

Analyst

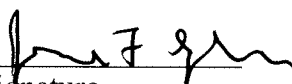
Clerk D – Office Support

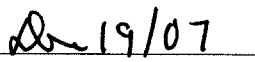
- All costs will be allocated on the basis of 40 percent to ATCO Electric, 40 percent to ATCO Gas and 20 percent to ATCO Pipelines. This allocation methodology is based on the estimated amount of time required to perform the work for each utility.

**ATCO GAS AND ATCO ELECTRIC  
COMMON GROUP EMPLOYEES  
AGREEMENT**

**Amended as of January 1, 2008**

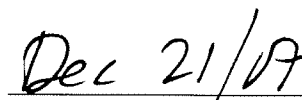
**ATCO GAS**

  
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**ATCO ELECTRIC**

  
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Date

**APPENDIX**

**ATCO GAS AND ATCO ELECTRIC COMMON GROUP EMPLOYEES**

**dated November 1, 2003 between**

**ATCO Gas and ATCO Electric**

**Amended as of January 1, 2008**

**COST ALLOCATION METHODOLOGY**

**Corporate Communications**

- General Services will be allocated on the basis of 60% to ATCO Gas and 40% to ATCO Electric. This allocation methodology is based on the establishments of the Corporate Communications departments of each of the utilities prior to the development of the Common Group.
- The cost of production and placement of joint communication programs will be allocated on the basis of customers served by each of the utilities. At the current time that allocation is 83% to ATCO Gas and 17% to ATCO Electric.
- The design and development costs for joint communication programs will be shared equally between ATCO Gas and ATCO Electric.

**Energy Management**

- The costs will be allocated on the basis of customers served by each of the utilities. At the current time that allocation is 83% to ATCO Gas and 17% to ATCO Electric

**Information Technology Services (Administrative Assistant), Retailer Relations (Manager and Analyst)**

- The costs associated with these positions will be shared equally between ATCO Gas and ATCO Electric. The cost of any administrative positions associated with these positions will also be shared equally.

**Information Technology Services (Supervisor, Client Support, Systems Consultant)**

- The costs associated with these positions will be allocated on the basis of 90% to ATCO Electric and 10% to ATCO Gas. This allocation methodology is based on the estimated amount of time required to perform the work for each utility.

**Information Technology Services (Supervisor, Technology Services, IT Planner)**

- The costs associated with these positions will be allocated on the basis of 90% to ATCO Gas and 10% to ATCO Electric. This allocation methodology is based on the estimated amount of time required to perform the work for each utility.

<b>ATCO ELECTRIC LTD. ACCOUNTING POLICY MANUAL</b>		<b>Provision of Services to or from Affiliates</b>	
<b>Original Issue Date:</b>	Nov 2, 2001	<b>Revision Date:</b>	February 1, 2008 <b>Number:</b> G.5
<b>PREPARED BY:</b>	D. Freedman	<b>APPROVED BY:</b>	D. DeChamplain

**PURPOSE**

To provide guidelines for the charging of work performed for or received from affiliates within the ATCO Group.

**POLICY**

- All transactions with affiliates are governed by the ATCO Group Inter-affiliate Code of Conduct.

For Profit Services

- Services provided to Affiliates on a For Profit Basis shall not be charged at less than the Fair Market Value for those services. Services received from Affiliates on a For Profit Basis shall not be paid for at more than Fair Market Value. Consultation with the Compliance Officer should occur prior to the determination of Fair Market Value for services to be provided or received on a For Profit Basis.
- A prudence review of these services may be required when deemed appropriate by management and / or the Compliance Officer. In demonstrating that Fair Market Value was paid or received pursuant to a For Profit Affiliate Service arrangement, the Utility, subject to any prior or contrary direction by the EUB, 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, benchmarking 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.

<b>ATCO ELECTRIC LTD. ACCOUNTING POLICY MANUAL</b>	<b>Provision of Services to or from Affiliates</b>
<b>Original Issue Date:</b> Nov 2, 2001	<b>Revision Date:</b> February 1, 2008 <b>Number:</b> G.5
<b>PREPARED BY:</b> D. Freedman	<b>APPROVED BY:</b> D. DeChamplain

Shared Services

- Shared Services provided to or received from Affiliates on a Cost Recovery Basis are permitted, unless an approved regulated rate exists for the services, in which case the regulated rate will be charged. In the event that the service provided represents a major on-going transaction, or a collection of related minor transactions that are significant in their totality, a review, involving the Compliance Officer, should be performed as to whether the service pricing is appropriate.
- 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 favorable than what that Non-Utility Affiliate would be able to obtain as a standalone entity from the capital markets.
- Sharing employees — A Utility may share employees on a Cost Recovery Basis with an Affiliate provided that the employees to be shared:
  - i) do not have access to Confidential information;
  - ii) do not routinely participate in making decisions with respect to the provision of Utility Services or how Utility Services are delivered;
  - iii) do not routinely deal with or have direct contact with customers of the Utility; and
  - iv) are not routinely involved in operating, planning or managing the business of the Utility (subject to certain exceptions per the Code).
- 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.
- 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.

<b>ATCO ELECTRIC LTD. ACCOUNTING POLICY MANUAL</b>	<b>Provision of Services to or from Affiliates</b>
<b>Original Issue Date:</b> Nov 2, 2001	<b>Revision Date:</b> February 1, 2008 <b>Number:</b> G.5
<b>PREPARED BY:</b> D. Freedman	<b>APPROVED BY:</b> D. DeChamplain

- 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.
- Occasional Services: A Utility may receive, or provide, one-off, infrequent or occasional services to or from an Affiliate on a Cost Recovery Basis, without a service agreement. The service(s) must be documented by way of a work order, purchase order or similar instrument.
- Emergency Services: In the event of an emergency, a Utility may share services and resources with an Affiliate without a service agreement on a Cost Recovery Basis. The service(s) must be documented by way of a work order, purchase order or similar instrument.

Master Service Agreement or Contract

- A Master Service Agreement or Master Service Contract (both referred to as MSC for purposes of this policy) must be developed with each affiliate, governing all services with the affiliate, which are not charged on the basis of regulated rates. All services with the affiliate counter party that the MSC applies to can be brought under that MSC by way of a schedule to the MSC. A copy of all agreements with affiliates should be forwarded to the Compliance Officer for record keeping. Note that a service agreement is not required for occasional or emergency services. in the event that these services become material as to value, frequency or use of resources, (as determined by management or the Compliance Officer), a service agreement shall be entered into.

Recoveries

- Recoveries for work performed for affiliates will be recorded as revenue to ATCO Electric, not as a reduction to operating expenses.

<b>ATCO ELECTRIC LTD. ACCOUNTING POLICY MANUAL</b>	<b>Provision of Services to or from Affiliates</b>
<b>Original Issue Date:</b> Nov 2, 2001	<b>Revision Date:</b> February 1, 2008 <b>Number:</b> G.5
<b>PREPARED BY:</b> D. Freedman	<b>APPROVED BY:</b> D. DeChamplain

## DEFINITIONS

**Affiliate:** Means with respect to any Utility:

- i) an affiliate as defined in the Alberta Business Corporations Act;
- ii) a unit or division within the Utility or any Body Corporate referred to in clause (i) above;
- iii) a partnership, joint venture, or Person in which the Utility or any Body Corporate referred to in clause (i) above has a controlling interest or that is otherwise subject to the control of the Utility or such Body Corporate;
- iv) any partnership, joint venture, or Person deemed by the EUB to be an affiliate of the Utility for the purpose of this Code of Conduct; and
- v) an agent or other Person acting on behalf of any Body Corporate, operating division, partnership, joint venture or Person referred to in clauses (i) to (iv) above.

**Cost Recovery Basis:** Means 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 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.

<b>ATCO ELECTRIC LTD. ACCOUNTING POLICY MANUAL</b>	<b>Provision of Services to or from Affiliates</b>
<b>Original Issue Date:</b> Nov 2, 2001	<b>Revision Date:</b> February 1, 2008 <b>Number:</b> G.5
<b>PREPARED BY:</b> D. Freedman	<b>APPROVED BY:</b> D. DeChamplain

**Direct Labour Costs:** The number of hours worked on a project times an employee's hourly wage, or the portion of the annual salary attributable to the services provided.

**Direct Costs of Goods and Services:** The actual amount paid to the vendor for supplies and services used in the provision of services to an affiliate.

**Direct Cost of Material:** The unit cost of material used in the provision of services to an affiliate based on the average cost from the Materials Management System.

**Direct Cost of Vehicle and Equipment Charges:** The charges for vehicles and equipment used in the provision of services to affiliates should be based on the hours used times the hourly charge out rate. The hourly charge out rate will include capital and related costs.

**Fair Market Value:** The price reached in an open and unrestricted market between informed and prudent parties, acting at arms length and under no compulsion to act.

**For Profit Services:** Any service that relates to a core business provided on a for-profit bases:

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

**Fringe Benefits:** The costs incurred by the employer in providing benefits to the employee. These costs include: CPP, Pension, Employment Insurance, Workers' Compensation, Alberta Health Care.

**Non-Preset Labour:** Employees who are not preset and must submit a daily timesheet in order to distribute their salary to the appropriate accounts.

**Preset Labour:** Employees whose salaries are distributed on a preset basis to the same accounts.

<b>ATCO ELECTRIC LTD. ACCOUNTING POLICY MANUAL</b>	<b>Provision of Services to or from Affiliates</b>
<b>Original Issue Date:</b> Nov 2, 2001	<b>Revision Date:</b> February 1, 2008 <b>Number:</b> G.5
<b>PREPARED BY:</b> D. Freedman	<b>APPROVED BY:</b> D. DeChamplain

**Payroll Burden:** An incremental charge that is included in an employee’s hourly charge out rate to cover payment for statutory holidays and vacation pay.

**Overhead:** A general loading charge applied to all Labour Costs for the recovery of corporate costs.

**PROCEDURE**

A. Determination of Cost Recovery Basis.

- Charges for services should be done on an actual cost basis providing it is cost effective and reasonable to track the cost of services provided. In the event cost tracking is not used, the cost allocation methodology used must fairly allocate costs based on reasonable and appropriate criteria. Whether cost tracking is used or not, the following amounts must be incorporated in the determination of fully burdened costs:

1. Labour Charges — In addition to the Direct Labour Costs, the following amounts should be included:

- Payroll Burden of 16.3% for employees on timesheets. The payroll system will apply the burden for all Non-Preset Labour. The burden rate is not to be applied when an annual salary is used in the determination of the Direct Labour costs. A separate calculation of burden will be made for Preset Labour charged on an hourly basis.
- Fringe Benefits — Fringe Benefits are determined by the financial system on a monthly basis.
- For non-construction projects an Overhead rate of 60% will be applied to labour charges, including payroll burden where applicable as defined above. An additional Overhead rate of 30% will be applied to the labour charges including payroll burden for construction projects.

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- Other charges as discussed below must be included as applicable.
2. Other Charges which may or may not apply, depending on the service performed include:
- Direct cost of Goods and Services.
  - Direct Cost of Material — a handling and restocking charge will be applied to the direct cost of materials. Contact Financial Reporting for the current rate to be applied. The MSC should contain a provision that allows for this rate to be varied by ATCO Electric as required.
  - Direct Cost of Vehicle and Equipment Operating Costs — Contact Financial Reporting for the current rates to be applied. The MSC should contain a provision that allows for this rate to be varied by ATCO Electric as required.
  - Financing, operating costs and depreciation should be recovered if the provision of service to an Affiliate involves the use of ATCO Electric’s utility assets. Contact Financial Reporting for assistance in determining these amounts.
  - Financing costs associated with a delay in compensation for a material portion of the agreement may be required. Contact Financial Reporting for assistance in determining these amounts.
3. If the agreement involves the disposal of an asset, then fair market value will be exchanged for the asset. If the sale of an asset occurs between regulated affiliates, Fair Market Value will not be less than the Net Book Value of the assets. Statutory requirements for regulatory approval of sales of utility property, other than in the ordinary course of business, will be met.

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B. Finalizing the Agreement

1. The standard MSC is to be used for all agreements with non-regulated affiliates. In the event that a modification to the format of the MSC is required, approval must be obtained from the Compliance Officer.
  
2. Where an MSC is required, a new MSC must be developed or the existing MSC amended to incorporate new services or changes to pre-existing services. The amendment can be incorporated through the revision to Schedules of the MSC, with appropriate approvals from all parties to the agreement, as well as an approval date.

The new or amended agreement must clearly indicate an effective date. Contact the Compliance Officer for assistance with respect to this.

3. Discussion with Financial Reporting should occur regarding how the revenue is to be collected, and any new account numbers required for the tracking of revenues and costs associated with the agreement. Generally affiliate revenues should be processed through debit notes which have a standard settlement date. Other collection methods may require a bill to be generated or different procedures to be put in place.

C. Compliance Records

- Records shall be maintained in a manner sufficient to support a third party audit of the state of compliance with the ATCO Group Inter-Affiliate Code of Conduct and retained for a period of at least six years.

**OFFICER'S CERTIFICATE**

To: The Alberta Utilities Commission

I, Dennis A. DeChamplain of the City of Edmonton, in the Province of Alberta, acting in my position as an officer of ATCO Electric (the Utility) and not in my personal capacity, to the best of my knowledge do hereby certify as follows:

1. My position is Vice President, Controller, 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 ATCO Group Inter-Affiliate Code of Conduct (the Code).
3. I have read the Code, the Compliance Plan of the Utility dated December 19, 2007 and the Compliance Report of the Utility dated April 30, 2009.
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 the Utility, or by any Affiliate of the Utility (including any director, officer, employee, consultant, contractor or agent of the Affiliate) with respect to any interaction between an Affiliate and the Utility that is not fully and accurately described in the Compliance Report.

Name: Dennis A. DeChamplain

Title: Vice President, Controller  
(Compliance Officer, ATCO Electric)

Signature: April 30, 2009

Date: Original Signed By

**OFFICER'S CERTIFICATE**

To: The Alberta Utilities Commission

I, S. F. (Sett) Policicchio of the City of Edmonton, in the Province of Alberta, acting in my position as an officer of ATCO Electric (the Utility) and not in my personal capacity, to the best of my knowledge do hereby certify as follows:

1. My position with the Utility is President 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 ATCO Group Inter-Affiliate Code of Conduct (the Code).
3. I have read the Code, the Compliance Plan of the Utility dated December 19, 2007 and the Compliance Report of the Utility dated April 30, 2009.
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 the Utility, or by any Affiliate of the Utility (including any director, officer, employee, consultant, contractor or agent of the Affiliate) with respect to any interaction between an Affiliate and the Utility that is not fully and accurately described in the Compliance Report.

Name: S. F. (Sett) Policicchio

Title: President

Signature: April 30, 2009

Date: Original Signed By