


MADE at the City of Calgary, in the Province of Alberta, on  20th day of May 2008.	 ALBERTA UTILITIES COMMISSION
AltaGas Utilities Inc. Appointment of Auditor for Gas Code of Conduct Regulation Compliance Audit	Application No.1571666

## **1 INTRODUCTION**

On May 8, 2008, AltaGas Utilities Inc. (AUI) filed an application with the Alberta Utilities Commission (Commission) requesting appointment of an auditor in compliance with requirements under the *Gas Utilities Act* (GUA) Alberta Regulation 183/2003 - Code of Conduct Regulation. The application also included a request for exemption from specific sections of the regulation regarding the annual compliance audit requirements.

## **2 BACKGROUND**

Alberta Regulation 183/2003 – Gas Code of Conduct Regulation (GCCR) requires that on an annual basis each gas distributor or default supply provider and its affiliated retailer must each appoint an independent auditor to perform an audit. The audit is to be completed within six months of the calendar year end.

During negotiations between AUI and the AUC Audit Team to schedule a pending audit of AUI's Inter-Affiliate Code of Conduct (IACC), the suggestion of having the AUC also perform AUI's Gas Code of Conduct Regulation compliance audit was discussed. As a result AUI filed application 1571666 which contains two requests.

The first request is to appoint the AUC Audit Team as the independent auditor in compliance with section 37.

The second request was for exemptions to provide the AUC Audit Team with flexibility for the timing of the audit, and the format of the audit report. These requests were made under section 41(1)(a) and pertain to the requirements of sections 39(1)(b) and 40.

In prior years AUI had an independent auditor complete the 2005 compliance audit. In 2007 AUI's request for exemption from the requirement to appoint and undergo a compliance audit for the 2006 audit period was approved by the Alberta Energy and Utilities Board.

The Commission agrees that it is a reasonable request for AUI to be granted approval for its appointment of the AUC Audit Team as auditor for the 2007 GCCR audit and for the exemptions requested, as it will enable the AUC Audit Team to perform the audit in conjunction with the IACC audit.

### **3 ORDER**

IT IS HEREBY ORDERED THAT:

- (1) AltaGas Utilities Inc. appoint the AUC Audit Team as its independent auditor for its 2007 annual Compliance Audit in accordance with section 37 of the GUA Code of Conduct Regulation 183/2003.
- (2) AltaGas Utilities Inc. be exempted for its 2007 annual Compliance Audit from sections 39(1)(b) and 40(1) of the GUA Code of Conduct Regulation 183/2003, as allowed under section 41 of the regulation.

END OF DOCUMENT