

March 15, 2004

NOTICE

To: Market Participants

RE: CODE OF CONDUCT REGULATION – COMPLIANCE PLANS

The *Code of Conduct Regulation* AR 160/2003 (Code) applies to the retail electricity market in Alberta.

The objects of this regulation include creating a level playing field for retailers, while at the same time ensuring that customers and customer information are adequately protected. In order to provide assurance as to compliance, the Code requires various forms of reporting.

Before an affiliated retailer begins to provide retail electricity services to customers, the affiliated retailer and its owner must each file and obtain approval for a compliance plan.

Responsibility for review and approval of compliance plans rests with the MSA.

As at February 27, 2004, the MSA has granted full approval for the compliance plans filed by the following parties:

Battle River REA Ltd.
Battle River Rural *Energy* Limited

Direct Energy Marketing Limited, in relation to Direct Energy Regulated Services
Direct Energy Partnership

The approved compliance plans are required to be posted on the website of the relevant party.

The MSA has also granted interim compliance plan approvals to various parties, in order that retail operations can continue while review of the plans is ongoing. Terms and conditions are attached to the interim approvals, in relation to the requirements of the Code.

As at March 12, 2004, the following parties are operating on interim approval of their respective compliance plans:

Aquila Networks Canada (Alberta) Ltd.

ENMAX Energy Corporation
ENMAX Power Corporation

EPCOR Distribution Inc.
EPCOR Energy Services Inc.
EPCOR Energy Services (Alberta) Inc.
EPCOR Merchant and Capital L.P.

The MSA has entered into discussions with other parties to whom the Code might attach compliance plan obligations. In accordance with the Guideline re: Code of Conduct Regulation Reporting published by the MSA on March 4, 2004, the reporting obligations relevant to those parties can be addressed through other means. A copy of this Guideline can be found on the MSA website www.albertamsa.ca.

Alberta's Market Surveillance Administrator is in place to monitor Alberta's electricity market - checking that it operates fairly, efficiently and in an openly competitive manner. The MSA is specifically responsible for administering the *Code of Conduct Regulation*.

A copy of the *Code of Conduct Regulation* can be obtained through the Alberta Queen's Printer, and viewed online at www.qp.gov.ab.ca/catalogue/.

Any questions in respect of these matters may be directed to Douglas Wilson, Legal Counsel, telephone: 403-538-3445; email: douglas.wilson@albertamsa.ca.

Yours truly,

“Original signed”

W.W. (Wayne) Silk,
Vice-President, C.O.O.
Market Surveillance Administrator.