



# *CODE OF CONDUCT*

# Market Surveillance Administrator

---

## DOCUMENT CONTROL

### *Authorities*

<b>Prepared by:</b>	
<b>Role:</b>	
<b>Signed &amp; Dated:</b>	

<b>Reviewed by:</b>	
<b>Role:</b>	
<b>Signed &amp; Dated:</b>	

<b>Approved by:</b>	Harry Chandler
<b>Role:</b>	Market Surveillance Administrator
<b>Signed &amp; Dated:</b>	

### *Distribution List*

<b>Name:</b>	All MSA Staff
<b>Organization:</b>	Market Surveillance Administrator

# TABLE OF CONTENTS

	PAGE
<b>1 PURPOSE.....</b>	<b>1</b>
<b>1.1 Introduction .....</b>	<b>1</b>
<b>1.2 Interpretation .....</b>	<b>1</b>
<b>2 CORPORATE OVERVIEW .....</b>	<b>2</b>
<b>2.1 MSA Legal Status.....</b>	<b>2</b>
<b>2.2 MSA Mission.....</b>	<b>2</b>
<b>3 CODE OF CONDUCT AND STANDARDS OF PERFORMANCE .....</b>	<b>2</b>
<b>3.1 Business Conduct.....</b>	<b>2</b>
<b>3.2 Conflict of Interest .....</b>	<b>2</b>
<b>3.3 Confidentiality of Information.....</b>	<b>3</b>
<b>3.4 Investments .....</b>	<b>4</b>
<b>3.4.1 Restrictions on Assets/Interests for any MSA Employee .....</b>	<b>4</b>
<b>3.4.2 Exempt Interests .....</b>	<b>4</b>
<b>3.4.3 Acceptance of Gifts and Hospitality .....</b>	<b>5</b>
<b>3.4.4 Corporate Sponsorship/Donations Volunteering.....</b>	<b>6</b>
<b>3.5 Employee Activities Outside Working Hours.....</b>	<b>6</b>
<b>3.6 Breach of Policy or Illegal Activity .....</b>	<b>6</b>
<b>3.7 Equal Employment Opportunity .....</b>	<b>6</b>
<b>3.8 Harassment .....</b>	<b>7</b>
<b>3.9 Complaint Process.....</b>	<b>7</b>
<b>3.10 Use of Internet, Email and other Electronic Media.....</b>	<b>8</b>
 <b>Appendix I Employee Certification and Disclosure Summary.....</b>	 <b>A-1</b>

# 1 PURPOSE

## 1.1 Introduction

This Code of Conduct (“Code”) sets out requirements relating to the operations of the corporation and the conduct of employees.

Each employee is given a copy of the current Code at the time of employment, and will be notified of additions or changes as applicable.

As part of the terms and conditions of your employment, you are responsible to be aware of the contents of this Code (including appendices) and to abide by the policies and procedures set out, including any changes to the Code which may occur during the term of the employment relationship. You are similarly required to be aware of and to abide by the other MSA policies and procedures applicable to the employee, including those set out in the **MSA EMPLOYEE MANUAL** (provided separately). An electronic copy of the current Code and of the MSA EMPLOYEE MANUAL is made available on the shared MSA drive.

You are asked to read these documented policies and procedures carefully. You will be required, on an annual basis, to return a signed copy of Appendix I – Employee Certification and Disclosure Summary – for inclusion in your personnel file.

## 1.2 Interpretation

In this document “MS Administrator” means the individual appointed Market Surveillance Administrator by the Minister of Energy. The “Deputy Administrator” is short form for the Deputy Market Surveillance Administrator. “Managers” refers to those occupying the following positions: “Chief Economist”, “Legal Counsel & Secretary”, “Manager, Investigations” and “Manager, Market Monitoring”. References to “MSA” and to the “corporation” are used interchangeably to mean the Market Surveillance Administrator entity.

Reference to “Investigation” means any file opened by the MSA concerning a suspected or possible contravention of applicable conduct requirements which may result in the MSA taking enforcement action in accordance with its mandate. For greater certainty, Investigation includes any file relating to compliance with applicable legislation, rules, standards, orders or decisions, in respect of which the MSA may take action pursuant to the *Alberta Utilities Commission Act* (“AUCA”).

References to “security” or “securities” means any class or type of bond, debenture, derivative, option, share or other right creating a financial interest, offered or traded in respect of a market participant whose conduct is within the

jurisdiction of the MSA, or any affiliate of such market participant. For greater certainty, this does not include any unit or interest in a mutual fund, exchange traded fund or other fund, which fund is not controlled by the employee, their spouse or minor child.

## **2 CORPORATE OVERVIEW**

### **2.1 MSA Legal Status**

The MSA was established as a corporation on June 1, 2003 with the passing of the *Electric Utilities Act* of Alberta (“EUA”). The MSA was continued under the AUCA, proclaimed January 1, 2008.

### **2.2 MSA Mission**

The overall Vision of the organization is “a self-sustaining competitive market that delivers fair and efficient outcomes”. To achieve this, the Mission of the MSA is to take “action to promote effective competition and a culture of compliance and accountability in Alberta’s electricity and retail natural gas markets.”

As a publicly funded organization, the MSA has a responsibility: to act fairly and responsibly at all times; to be honest and ethical in all we do and engage in decision making that reflects the highest standard of conduct; to strive to be accessible, transparent, objective and principle-based; to demonstrate a sense of urgency in our resolve and decision making; to measure, report and achieve results while prudently and efficiently managing our resources; and to value forward thinking and learning as we strive for continuous improvement and development at all levels of the organization.

## **3 CODE OF CONDUCT AND STANDARDS OF PERFORMANCE**

### **3.1 Business Conduct**

The MSA and its employees will adhere to the highest ethical standards of business conduct at all times.

All activities undertaken by or on behalf of the MSA will be conducted in strict observance to both the letter and spirit of the law, including, without limitation, the AUCA, EUA and related regulations as well as other relevant legislation.

### **3.2 Conflict of Interest**

A conflict of interest is when our personal interests interfere with, or appear to interfere with, our primary business loyalty to the MSA. We must always act and be seen to be acting in the best interests of the MSA without regard to our personal interests. This requires that we make all business decisions on merit based on the best interests of the MSA, and that we are unaffected by

consideration of direct or indirect personal benefits. To do otherwise risks the reputation of both the individuals involved and the MSA. A conflict of interest, actual or perceived, calls into question our integrity, and our ability to act in an independent, impartial manner.

You must regulate your activities so as to remain free of interests or relationships which are, or have the appearance of being, harmful or detrimental to the MSA or are in conflict with the corporation's best interests. In exercising your powers and discharging your duties, you are expected to act honestly, impartially, in good faith and in the public interest, and you must avoid conflicts of interest, and must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Where conflicts, real or perceived, may arise it is your responsibility to offer full disclosure to your supervisor as soon as you become aware of the (potential) conflict. The real or potential conflict will then be assessed by the MS Administrator or another person designated to deal with the matter on behalf of the corporation, and a decision will be rendered on behalf of the corporation as to how any conflict will be resolved.

### **3.3 Confidentiality of Information**

All non-public information held by the MSA in relation to the exercise of its mandate, including, without limitation, non-public information pertaining to other employees, market participants, or the business affairs of the MSA, is considered to be strictly confidential unless otherwise stipulated by the corporation. The MSA has policies and procedures intended to help meet its obligations regarding confidentiality and privacy, all of which are binding on employees insofar as concerns their work on behalf of the corporation.

Non-public information held by the employee pursuant to other employment relationships, including (without limitation) from previous employment, is not to be divulged to the MSA.

You are expected to take all reasonable steps to protect the confidentiality of non-public information held by or available to you, including (without limiting the foregoing) that you shall not, at any time during or after the term of your employment, divulge any confidential information except as allowed or required pursuant to your responsibilities and duties in relation to your employment with the MSA, or under applicable legislation or regulation, or pursuant to any legal or other proceeding requiring the specific information to be divulged.

You are required to certify annually, as part of Appendix I, that you understand your continuing obligations regarding confidentiality.

## **3.4 Investments**

### **3.4.1 Restrictions on Assets/Interests for any MSA Employee**

MSA employees, their spouses, and/or their minor children may not have any direct or indirect monetary or financial interest in any person over whom the MSA exercises its responsibilities pursuant to its mandate.

These restrictions apply to you, your spouse, and/or your minor child's investments, including directly owned securities. An exception may apply if a spouse holds securities as part of his/her employment compensation package. However, this must be disclosed to the MS Administrator or his designate by completing Appendix I: Employee Certification and Disclosure Summary.

You are expected to ensure that you, your spouse, and your minor children have divested of directly owned securities as soon as possible, but no later than two years from the effective date of this policy re: your employment.

You are required to complete the first three sections of the Employee Certification and Disclosure Summary annually to declare your assets and interest position.

If you own assets or interests prohibited under section 3.4 (including sections 3.4.1 and 3.4.2), you must also complete Section 4 of Appendix I (entitled Financial Assets/Interests Disclosure Summary). The MS Administrator or his designate then determines whether a conflict exists and what action, if any, should be taken.

In certain situations, the use of a blind trust, divestment of the asset, or employment action (ranging from removal or transfer of job duty to termination, if necessary) may be required. The disclosure form and decision will be placed in the personal section of the employee's personnel file.

### **3.4.2 Exempt Interests**

The following types of assets/interests are not subject to disclosure:

Assets and interests intended for private use that are not of a commercial character, such as

- Household goods and personal effects,
- Works of art, antiques, and collectibles,
- Automobiles and other personal means of transportation,
- Cash and deposits,

Canada Savings Bonds (and other security investments of fixed value) issued/guaranteed by any level of government in Canada or government agencies),

Registered retirement savings plan, mutual funds, pension plans, registered savings plan under federal or provincial government programs (e.g., home, education), provided the individual has no control over decisions of the plan, fund, or other vehicle to buy, sell, or hold those underlying securities,

Guaranteed investment certificates and similar financial instruments, and

Annuities and life insurance policies.

Residences, recreational property, and farms that do not have energy, utility or mineral rights or leases and are used or intended for use by employees or their families.

Assets and interests that are not directly or indirectly related to the mandate of the MSA.

### **3.4.3 Acceptance of Gifts and Hospitality**

As an MSA employee, you must not accept gifts from those we do business with other than small, inexpensive mementos. The term 'those we do business with' encompasses market participants, stakeholders seeking to influence the MSA, and MSA suppliers, such as contractors and legal counsel. Acceptable gifts or hospitality are:

Tokens exchanged as part of protocol;

The normal presentation of gifts to persons participating in public functions, awards, speeches, lectures, presentations, or seminars; or

Breakfast, lunch, and dinner invitations that have a MSA business purpose.

Meetings over lunch or other meals can be a very effective way of doing business and staying in touch with market participants and other stakeholders. A good practice to avoid any sense or perception of obligation is to alternate who pays for the meal.

You should politely decline invitations to social events from those we do business with that are in any way costly or exclusive and give either the sense or perception of obligation. The fact the party that made the invitation is not currently under Investigation by the MSA is not a relevant or determinative consideration.

The reputation of the MSA as impartial and free from influence is fundamental to our work, easily damaged and hard to repair.

#### **3.4.4 Corporate Sponsorship/Donations Volunteering**

As a publicly funded agency whose only funds come from others in the industry, it is the policy that the MSA will not expend funds to donate to or sponsor charitable endeavours. Those who fund us can make their own choice about using their funds for charitable works and do not need to channel monies through the MSA.

However, the MSA is part of a broader community and it values the opportunity for personal growth and teambuilding made possible by donating time on occasion to worthy causes. Anyone can present an idea for management's approval to volunteer for a day or part thereof, once a year, for the purpose of supporting a charitable organization.

#### **3.5 Employee Activities Outside Working Hours**

The MSA recognizes that your private life is your own; however we ask that you give careful consideration that your activities:

- do not affect your availability for work with the corporation;
- do not affect your job performance;
- do not conflict with the stated goals, objectives and public image of the MSA;
- do not create any real or perceived conflict of interest; and
- do not make use, either directly or indirectly, of your position within the MSA to further the interests of any other business.

No corporation equipment, facilities or other assets may be used for any activity outside of the employment relationship with the corporation without prior approval of your supervisor.

#### **3.6 Breach of Policy or Illegal Activity**

Although each case will be dealt with individually based on the facts, you should recognize that a breach of MSA policy or conviction for any illegal activity may result in disciplinary action *up to and including termination of employment*.

#### **3.7 Equal Employment Opportunity**

The MSA supports the principle of equal access to employment promotions, training and career opportunities for all employees based upon job related knowledge, skill and ability.

We will not discriminate in our employment or promotion practices on the basis of age, race, religion, marital status, gender, sexual orientation, physical characteristics, color, ancestry or place of origin.

### **3.8 Harassment**

The MSA is committed to providing a secure and comfortable work environment, with working relationships built on mutual respect, and to ensuring an environment for its employees that is free from harassment and/or the fear of harassment. Every employee has the right to expect to be treated fairly and with respect at work.

It is the intent of the MSA to take every reasonable measure to ensure that no employee is subject to unwelcome verbal or physical conduct, from whatever the source. Harassment in any form violates fundamental rights and personal dignity and integrity.

Harassment is defined as any unwanted physical, sexual, or verbal conduct that offends or humiliates. By its nature, harassment has the effect or is calculated to interfere with an individual's work performance, result in creating an intimidating, hostile or offensive work environment, result in a change in some condition or term of employment or result in an economic detriment to the person.

Harassment is a type of discrimination that is prohibited under the following grounds: race, religious beliefs, color, gender, physical or mental disability, age, ancestry, place of origin, marital status, source of income, family status, pardoned conviction or sexual orientation. Harassment can consist of a single incident or several incidents that occur over a period of time.

### **3.9 Complaint Process**

If you believe that you are being harassed by another employee, you are encouraged to take the following steps, as applicable:

- Tell the other employee that the behavior is unwelcome and that it must stop.
- Report the incident(s) to your supervisor or to another management person with whom you feel comfortable to discuss the matter.
- Keep a record of the incident(s), including date, time of occurrence, location, what happened, witnesses, etc.
- File a written complaint to the Deputy Administrator or MS Administrator.

Once reported, the Deputy Administrator or MS Administrator receiving the report will begin an investigation, or bring in the appropriate parties to

investigate, and all necessary steps will be taken to resolve the problem in an impartial and confidential manner. The alleged harasser will be told that there is a complaint and the name of the complainant.

If the investigation yields evidence to support the complaint, the harasser will be disciplined, and appropriate documentation will be placed on the harasser's file. Disciplinary action will vary depending on the severity of the harassment, whether the harassment was intentional or unintentional, whether the offense is an isolated case or other cases of harassment are identified, and other mitigating or aggravating circumstances. Discipline may range from education and counseling to written warnings and termination. The complainant and/or the alleged harasser may be encouraged to seek outside supportive counseling.

All complaints will be treated seriously. All information obtained during the investigation will be confidential, except where practical and necessary to determine course of action, or inform the proper authorities, where appropriate.

Employees also have the right to contact the Alberta Human Rights Commission, and if appropriate, the Calgary Police Service to file a charge.

### **3.10 Use of Internet, Email and other Electronic Media**

Internet access and electronic mail is intended for business use, and as such professional judgment and common sense is to be used to ensure that the reputation of the MSA is maintained.

Any activity which is the result of email and electronic messaging, postings, commentary or opinions on blogs, social networking websites, or any user comment enabled website, in any medium be it text, video, or audio format must respect our confidentiality requirements. You must not post any defamatory or derogatory comments about co-workers, management, the MSA, market participants or stakeholders even if the identity of the individuals, the MSA or other organizations is masked by the use of aliases. You are entitled to make fair comment about events of a public nature but should make it clear that, if the event has anything to do with the mandate of the MSA, unless the comment is part of an MSA sanctioned initiative the opinions expressed are your own and not the views of the MSA.

Failure to abide by any of these rules may result in disciplinary action, up to and including termination. Internet activity and email may be subject to monitoring and inspection by management without advance notice. Accordingly, you should not consider electronic mail to be private.

The results of monitoring may be reported to you, your supervisor, or senior management. Specific sites may be blocked from access at management's

discretion. In addition, you are expected to use common sense in judging whether your Internet browsing is impacting your productivity at work (for example, personal use in making travel arrangements, reviewing stock prices, etc.).

# Appendix I

## Employee Certification and Disclosure Summary

This document will be retained in your personnel file.

### Section 1 – Employee Information

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

### Section 2 – Certification

**Check all boxes, as applicable**

- 2A. I hereby certify that I have read and understood the MSA Code of Conduct and recognize that compliance with all applicable policies and procedures is part of the terms and conditions of my employment at the MSA.
- 2B. I specifically understand my obligation to protect the confidentiality of information, and that this is a continuing obligation during and after the term of my employment.
- 2C. I hereby certify that I have been compliant at all relevant times with the Code of Conduct and other applicable MSA policies and procedures, except as otherwise disclosed in writing to my supervisor, the Deputy Administrator or the MS Administrator.

Employee signature \_\_\_\_\_ Date \_\_\_\_\_

### Section 3 – Financial Assets/Interests Disclosure

**Check 3A or 3B as appropriate.**

- 3A I, my spouse, and/or my minor children **do not** directly or indirectly own any assets and interests other than the Exempt Interests identified in the MSA Code of Conduct under Part 3.4.2.
- 3B I, my spouse, and/or my minor children **do** own or possess assets or interest other than the Exempt Interests identified in the MSA Code of Conduct under Part 3.4.2. I have completed the Financial Assets/Interest Disclosure Summary below (Section 4).

Section 4 – Financial Assets/Interests Disclosure Summary

Fill out applicable sections and certify the information in Section 4E. Attach additional pages if necessary.

**4A. Private Corporations:** List any private corporations controlled by you, your spouse, or minor children, or any one or more of them that relate directly or indirectly to the MSA mandate.

Name of entity \_\_\_\_\_

Description \_\_\_\_\_

Owner (e.g. employee or spouse) \_\_\_\_\_ Approximate value \_\_\_\_\_

**4B. Private Business Interests:** List all private business interests, including securities in private corporations, interests in sole proprietorships and joint ventures, held by you, your spouse, and/or minor children that do business with the MSA or with any entity the MSA regulates (Do not include items listed in Section 4A).

Name of business \_\_\_\_\_

Description of business \_\_\_\_\_

Description of interest \_\_\_\_\_ Value \_\_\_\_\_

**4C. Securities and Other Interests in Publicly Traded Entities:** List all securities or other interests held by you, your spouse, and/or minor children held in publicly traded entities that are directly or indirectly related to the mandate of the MSA.

Name of entity \_\_\_\_\_

Description of interest \_\_\_\_\_

Owner \_\_\_\_\_ Value (on disclosure date) \_\_\_\_\_

**4D.** List any other significant liabilities, financial interests, and sources of income that may be real or perceived conflict with the mandate of the MSA.

Description \_\_\_\_\_

**4E.** I certify that the information provided above in the Financial Assets/Interests Disclosure Summary section is correct.

**Employee signature** \_\_\_\_\_ **Date** \_\_\_\_\_

This information is being collected to ensure compliance with the terms and conditions of employment. It is protected by the privacy provisions of the Alberta Personal Information Protection Act. If you have any questions regarding this collection, please contact your immediate supervisor.