



Liberty Utilities (CalPeco Electric) LLC  
933 Eloise Avenue  
South Lake Tahoe, CA 96150  
Tel: 800-782-2506  
Fax: 530-544-4811

April 9, 2026

**VIA EMAIL ONLY**  
**EDTariffUnit@cpuc.ca.gov**

**Advice Letter No. 292-E**  
**(U 933-E)**

California Public Utilities Commission  
Energy Division, Tariff Unit  
505 Van Ness Avenue, 4th Floor  
San Francisco, CA 94102-3298

**SUBJECT: 2025 Affiliate Transaction Compliance Plan**

**Purpose**

Liberty Utilities (CalPeco Electric) LLC (U 933-E) (“Liberty”) hereby submits its 2025 Affiliate Transaction Compliance Plan (“Compliance Plan”) in accordance with the California Public Utilities Commission’s (“Commission”) Decision (D.) 97-12-088, as amended by D.98-08-035, D.98-12-075, D.99-09-002, and D.02-02-046. The attached Compliance Plan presents the most current information for Liberty regarding its affiliate transaction compliance efforts.

**Background**

The Commission’s affiliate transaction rules for electric utilities (“Affiliate Rules”) were initially adopted in D.97-12-088, and modified by D.98-08-035, D.98-12-075, D.99-09-002, and D.02-02-046. Liberty is an “electric utility” under the Affiliate Rules and, pursuant to Rule II.B, the Affiliate “Rules apply to all utility transactions with affiliates engaging in the provision of a product that uses electricity, or the provision of services that relate to the use of electricity,” unless otherwise exempted from the Affiliate Rules.

**Compliance Plan**

This Compliance Plan is responsive to Rule VI.A and describes the manner in which Liberty currently has programs and procedures in place to comply with the Affiliate Rules by itself and its affiliates. Liberty believes that the compliance actions set forth in the attached revised Compliance Plan are consistent and comply fully with the Affiliate Rules. Liberty remains committed to upholding both the letter and spirit of the Rules, and respectfully requests that the Commission approve its 2025 Compliance Plan.

**Effective Date**

In accordance with General Order 96-B, General Rule 7.6.1 and Energy Industry Rule 5.1, Liberty submits this Tier 1 Advice Letter with an effective date of July 1, 2026.

**Notice**

In accordance with General Order 96-B, Section 4.4, a copy of this Advice Letter has been served electronically to the entities shown on the service lists for GO 96-B and R.97-04-011, I.97-04-012, and R.98-04-009, copies of which are attached. The Compliance Plan referenced

Energy Division Tariff Unit  
California Public Utilities Commission  
April 9, 2026  
Page 2

herein is being provided to the Energy Division Staff only. Other entities may request a copy of the Compliance Plan by sending an email to: [Elly.Odoherty@libertyutilities.com](mailto:Elly.Odoherty@libertyutilities.com).

**Protests**

Anyone wishing to protest this Advice Letter may do so by letter sent via U.S. mail, by facsimile or by email, any of which must be received no later than April 29, 2026, which is 20 days after the date of this Advice Letter. There are no restrictions on who may submit a protest, but the protest shall set forth the grounds upon which it is based and shall be submitted expeditiously. Protests should be mailed to:

California Public Utilities Commission  
Energy Division, Tariff Unit  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, CA 94102-3298  
Facsimile: (415) 703-2200  
Email: [edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)

The protest should be sent via email and U.S. Mail (and by facsimile, if possible) to Liberty Utilities (CalPeco Electric) LLC at the address shown below on the same date it is mailed or delivered to the Commission:

Liberty Utilities (CalPeco Electric) LLC  
Attn: Advice Letter Protests  
933 Eloise Avenue  
South Lake Tahoe, CA 96150  
Email: [CaseAdmin@libertyutilities.com](mailto:CaseAdmin@libertyutilities.com)

If additional information is required, please do not hesitate to contact me.

Respectfully submitted,

LIBERTY UTILITIES (CALPECO ELECTRIC) LLC

/s/ Elly O'Doherty

Elly O'Doherty  
Manager, Rates and Regulatory Affairs

cc: Liberty General Order 96-B Service List



**Liberty Utilities (CalPeco Electric) LLC (U 933 E)**  
**2025 Affiliate Transaction Compliance Plan**

## TABLE OF CONTENTS

	Page
INTRODUCTION.....	1
A.    CORPORATE STRUCTURE AND OVERVIEW .....	1
B.    NO AFFILIATE CONDUCTS BUSINESS WITHIN THE LIBERTY SERVICE TERRITORY .....	2
C.    LIBERTY UTILITIES SERVICE CORP .....	3
D.    UTILITY COST ALLOCATION, ACCOUNTING, AND RATEMAKING.....	4
E.    APUC CODE OF BUSINESS CONDUCT AND ETHICS.....	5
F.    ONGOING EMPLOYEE NOTIFICATION AND EDUCATION .....	5
PROCEDURES AND MECHANISMS TO PROMOTE COMPLIANCE WITH THE AFFILIATE RULES .....	7
I.    DEFINITIONS .....	7
II.   APPLICABILITY OF RULES.....	9
III.  NONDISCRIMINATION .....	12
III.A.  No Preferential Treatment Regarding Services Provided By the Utility.....	14
III.B.  Affiliate Transactions .....	15
III.C.  Tying of Services Provided by a Utility Prohibited .....	19
III.D.  No Assignments of Customers .....	21
III.E.  Business Development and Customer Relations .....	21
III.F.  Affiliate Discount Reports.....	22
IV.   DISCLOSURE AND INFORMATION.....	24
IV.A.  Customer Information .....	24
IV.B.  Non-Customer Specific Non-Public Information.....	25
IV.C.  Service Provider Information .....	26
IV.D.  Supplier Information .....	27
IV.E.  Affiliate-Related Advice or Assistance .....	27
IV.F.  Record Keeping .....	28
IV.G.  Maintenance of Affiliate Contracts and Related Bids .....	29
IV.H.  FERC Reporting Requirements.....	29
V.    SEPARATION .....	30
V.A.  Corporate Entities.....	30
V.B.  Books and Records .....	30
V.D.  Joint Purchases .....	31
V.E.  Corporate Support .....	33

V.F.	Corporate Identification and Advertising.....	36
V.G.	Employees .....	41
V.H.	Transfer of Goods and Services .....	47
VI.	REGULATORY OVERSIGHT .....	48
VI.A.	Compliance Plans .....	48
VI.B.	New Affiliate Compliance Plans.....	49
VI.C.	Affiliate Audit .....	51
VI.D.	Witness Availability .....	51
VII.	UTILITY PRODUCTS AND SERVICES.....	51
VII.A.	General Rule .....	51
VII.B.	Definitions.....	52
VII.C.	Utility Products and Services .....	52
VII.D.	Conditions Precedent to Offering New Products and Services.....	54
VII.E.	Requirement to File an Advice Letter .....	55
VII.F.	Existing Offerings .....	57
VII.G.	Section 851 Application .....	59
VII.H.	Periodic Reporting of Nontariffed Products and Services .....	59
VII.I.	Offering of Nontariffed Products and Services to Affiliates.....	60
VIII.	COMPLAINT PROCEDURES AND REMEDIES .....	60
VIII.A.	The Commission Shall Strictly Enforce These Rules.....	60
VIII.B.	Standing .....	60
VIII.C.	Procedure .....	61
VIII.D.	Remedies.....	65

**Attachments:**

- A. Algonquin Power & Utilities Corp. Code of Business Conduct and Ethics, Ethics Reporting Policy, Insider Trading Policy, Disclosure Policy, and Privacy Policy
- B. Liberty Utilities (CalPeco Electric) LLC Affiliated Transaction Rules Policies and Procedures
- C. List of Liberty Utilities (CalPeco Electric) LLC Rule II.B. Affiliates
- D. Officer and Director Verifications
- E. List of Shared Officers and Directors Between Liberty Utilities (CalPeco Electric) LLC and Its Affiliates

**LIBERTY UTILITIES (CALPECO ELECTRIC) LLC (U 933 E)**

**2025 AFFILIATE TRANSACTION COMPLIANCE PLAN**

**IMPLEMENTING D.97-12-088 AS MODIFIED BY D.98-08-**

**035, D.98-12-075, D.99-09-002, AND D.02-02-046**

**INTRODUCTION**

In compliance with Rule VI.A of the California Public Utilities Commission’s (“CPUC”) Affiliate Transaction Rules (“Affiliate Rules”) adopted in D.97-12-088, as amended by subsequent CPUC decisions and orders,<sup>1</sup> Liberty Utilities (CalPeco Electric) LLC (“Liberty”) hereby submits a compliance plan apprising the CPUC of the current status of its compliance efforts with the Affiliate Rules and associated programs.

The Compliance Plan includes policies, procedures and mechanisms for implementation and compliance with the Affiliate Rules, which when taken as a whole, represent a comprehensive approach to compliance.

The Introduction to this Compliance Plan provides necessary background on Liberty and summarizes the compliance mechanisms and guidelines central to and appropriate for Liberty’s affiliate compliance efforts. Thereafter, the Compliance Plan presents a rule-by-rule discussion of the procedures and mechanisms that Liberty has developed and intends to implement to best ensure compliance with the Affiliate Rules.<sup>2</sup>

**A. CORPORATE STRUCTURE AND OVERVIEW**

Liberty Utilities Co. is the immediate parent company of Liberty. Algonquin Power & Utilities Corp. (“APUC”) is the parent of Liberty Utilities Co. APUC’s principal office is located

---

<sup>1</sup> D.97-12-088 was amended in D.98-08-035 when the Affiliate Transaction Rules were modified. D.98- 12-075 added enforcement provisions to the Affiliate Transaction Rules. D.99-09-002 modified Rule I.G and II.A to limit application of the Affiliate Rules to California electric utilities and natural gas local distribution companies.

<sup>2</sup> The actual text of the Affiliate Rules are presented in italicized text for purposes of best distinguishing the Affiliate Rules from Liberty’s “Procedures and Mechanisms to Promote Compliance” which are set forth in standard font.

at 354 Davis Road, Oakville, Ontario, L6J 2X1. APUC's operations are organized across two primary North American business units consisting of the Liberty Utilities Group, which owns and operates a portfolio of regulated electric, natural gas, water distribution and wastewater collection utility systems, and transmission operations

The Liberty Utilities Group operates a portfolio of regulated water, sewer, electric, and natural gas service to approximately 1.1 million connections 13 states, one Canadian province, Bermuda, and Chile. The Liberty Utilities Group's regulated electrical distribution utility systems and related generation assets are located in the States of California, New Hampshire, Missouri, Kansas, Oklahoma, and Arkansas. The electric utility systems in total serve approximately 307,000 electric connections and operate a fleet of generation assets. The Liberty Utilities Group's regulated natural gas distribution utility systems are located in the States of Georgia, Illinois, Iowa, Massachusetts, New Hampshire, New York, Missouri, and the Canadian province of New Brunswick serving approximately 373,000 natural gas connections. The Liberty Utilities Group's regulated water distribution and wastewater collection utility systems are located in the States of Arizona, Arkansas, California, Illinois, Missouri, and Texas which together serve approximately 413,000 connections. The Liberty Power Group, through Algonquin Power Co. ("APCo") and its subsidiaries, owns or has interests in hydroelectric, wind, solar, and thermal facilities with a combined generating capacity of approximately 2.3 GW. Approximately 82% of the electrical output from the hydroelectric, wind, and solar generating facilities is sold pursuant to long term contractual arrangements which as of December 31, 2025 had a production-weighted average remaining contract life of approximately 12 years.

**B. ONE AFFILIATE CONDUCTED BUSINESS WITH LIBERTY CALPECO IN CALIFORNIA IN 2025**

Liberty became the public utility responsible for providing service to the approximate 50,000 electric consumers within its service territory as of January 1, 2011. Through December 2025 one affiliate of Liberty has conducted, or tried to conduct, business with Liberty in California.

Three entities within APCo have engaged in the operation of non-regulated power generating facilities within California (Algonquin Power Sanger, LLC, Algonquin SKIC 10 Solar, LLC, and Algonquin SKIC 20 Solar, LLC). Liberty engaged in transactions with Algonquin Power Sanger, LLC. Liberty has not engaged in transactions with Algonquin SKIC 10 Solar, LLC, or Algonquin SKIC 20 Solar, LLC. No employee of these unregulated generation entities performed any service for Liberty. Two members of Liberty's Information Technology staff provided help desk assistance to Algonquin Power Sanger, LLC.

Though while these generating affiliates conduct business within the State of California, they, most importantly, operate in essentially different electric markets than Liberty. The APCo California generating entities conduct their business exclusively within the balancing authority operated by the California Independent System Operator (“CAISO”). The service territory of Liberty is not located within the CAISO balancing authority. Rather, the service territory of Liberty is located entirely within the NV Energy Balancing Authority. Accordingly, 100 percent of the power Liberty uses to serve its customers has either been, and will continue to be, generated within or delivered through the NV Energy Balancing Authority. During 2025, no affiliate of Liberty sold energy within the NV Energy Balancing Authority.<sup>3</sup>

### **C. LIBERTY UTILITIES SERVICE CORP.**

Consistent with common utility practice, Liberty Utilities Co. created Liberty Utilities Service Corp. (“Service Corp”) to function as the corporate entity which functions as the employer of the employees in the United States who provide services to the utility companies within Liberty Utilities Co. as well as providing some shared services within the APUC family of businesses. From October 2014 through January of 2019, Liberty had no employees; rather, designated employees of Service Corp perform the functions which enabled Liberty to provide electric utility service to its customers. In February of 2018, pursuant to Commission Decision 17-09-022 (Application 15-11-009), Liberty returned to the utility the employees and positions that were previously transferred to Service Corp. Service Corp. continues to provide some shared services to Liberty.

---

<sup>3</sup> The Commission has approved Liberty’s request to enter into a purchase and sale agreement to acquire, own, and operate the Luning Solar Project which is located in Nevada. *See* Decision 16-01-021, (“Luning Approval Decision”). An affiliate of Liberty is a joint owner of the Luning Solar Project and the Luning Solar Project sells power to NV Energy through a power purchase agreement. In the Luning Approval Decision, the Commission approved these affiliate transactions, but also imposed certain conditions and restrictions. *See* Luning Approval Decision, at 43–44 (Ordering Paragraph 1). *See also, infra*, at 18–19, 49. The Commission approved similar regulatory treatment for the Turquoise Solar Project. *See* Decision 17-12-008 (“Turquoise Approval Decision”) which also is currently operational.

The regulated utility companies owned by Liberty Utilities Co. are each subject to cost allocation and other affiliate transaction rules and regulations administered by their respective state utility commissions. Responsibility for the utility's compliance with these ratemaking and affiliate-related rules resides with the regulatory compliance group within each operating utility.

Accordingly, Liberty's accounting and regulatory group has direct responsibility for its affiliate compliance program. Individuals within this group report directly to the President (for California) and indirectly to the Director of Regulatory Operations for Liberty Utilities (Canada) Corp.<sup>4</sup> In addition, the lawyers within the APUC family of businesses and Compliance Department perform an advisory role to best ensure compliance with affiliate transaction requirements.

#### **D. UTILITY COST ALLOCATION, ACCOUNTING, AND RATEMAKING**

To prevent cross-subsidization between its regulated operations in California and its regulated and unregulated affiliates, Liberty has recorded, and has requested rate recovery for, only those expenses which are directly associated with the provision of electric service to its customers. This is reflected in the current and prior Liberty general rate case applications to the Commission.<sup>5</sup>

In these proceedings, Liberty requested rate recovery that included expenses performed by individuals employed by Service Corp and by certain other affiliates. The costs for which Liberty sought rate recovery were attributable to services these individuals performed for the purpose of enabling Liberty to provide electric service to its customers. Any costs for which Liberty requested such rate recovery were allocated to Liberty in a manner consistent with the APUC Corporate Cost Allocation Manual and Commission requirements.

---

<sup>4</sup> Liberty Utilities (Canada) Corp. is a service entity which provides tax, legal, accounting, regulatory, compliance, and other shared services to entities owned by each of APCo and Liberty Utilities Co.

<sup>5</sup> See A.12-02-014 and D.12-11-030 (adopting all-party settlement); A.15-05-008 and D.16-12-024; and A.18-12-001.

Liberty will continue to allocate the costs associated with such intra-company provision of services in accordance with the APUC Corporate Cost Allocation Manual and Commission requirements.

#### **E. APUC CODE OF BUSINESS CONDUCT AND ETHICS**

APUC has adopted a “Code of Business Conduct and Ethics” (“APUC Code of Conduct”). All employees in the APUC family of companies — including employees of Service Corp, any employee providing assistance to Liberty in the provision of electric service, and any affiliates transacting business in California — are obligated to comply with the APUC Code of Conduct.

All APUC employees are required to complete the Annual Code of Business Conduct and Ethics, and Related Policies e-learning course. The course includes review of the Ethics Reporting Policy, Insider Trading Policy, Disclosure Policy, and Privacy Policy. All of these policies are provided as Attachment A to this Plan. The online Learning Management System, or LMS, administers the learning modules and serves as the record keeper for the annual training.

The APUC Code of Conduct, among other matters, addresses the commitment by the APUC corporate family to ethics and compliance with the law. The APUC Code of Conduct instructs employees to comply, both in letter and in spirit, with all applicable laws and regulations.

The APUC Board of Directors has designated APUC’s Chief Risk and Compliance Officer to serve as the Ethics officer responsible for the day-to-day implementation and administration of the APUC Code of Conduct. Violations of the APUC Code of Conduct regarding accounting, internal accounting controls or audit matters, or violations involving the compliance officer are required to be reported to the Chair of the Audit Committee of APUC. APUC also maintains an Ethics Reporting Policy pursuant to which anonymous reports can be made.

#### **F. ONGOING EMPLOYEE NOTIFICATION AND EDUCATION**

Training on the Affiliate Rules is provided annually to Liberty employees as well as training on affiliate requirements is provided to shared services employees in Canada.

Liberty has adopted a formal document delineating the rules, policies, and procedures necessary to best assure compliance with the Affiliate Rules (“Liberty Affiliate Transaction Rules Policies and Procedures”) a copy of which is attached hereto as Attachment B. This policy has been disseminated to all employees dedicated to providing services to Liberty.

**PROCEDURES AND MECHANISMS TO  
PROMOTE COMPLIANCE WITH THE AFFILIATE RULES<sup>6</sup>**

***I. DEFINITIONS***

*Unless the context otherwise requires, the following definitions govern the construction of these Rules:*

***I.A.*** ***“Affiliate”*** means any person, corporation, utility, partnership, or other entity 5 percent or more of whose outstanding securities are owned, controlled, or held with power to vote, directly or indirectly, either by a utility or any of its subsidiaries, or by that utility's controlling corporation and/or any of its subsidiaries as well as any company in which the utility, its controlling corporation, or any of the utility's affiliates exert substantial control over the operation of the company and/or indirectly have substantial financial interests in the company exercised through means other than ownership. For purposes of these Rules, "substantial control" includes, but is not limited to, the possession, directly or indirectly and whether acting alone or in conjunction with others, of the authority to direct or cause the direction of the management or policies of a company. A direct or indirect voting interest of 5% or more by the utility in an entity's company creates a rebuttable presumption of control.

*For purposes of this Rule, “affiliate” shall include the utility’s parent or holding company, or any company which directly or indirectly owns, controls, or holds the power to vote 10% or more of the outstanding voting securities of a utility (holding company), to the extent the holding company is engaged in the provision of products or services as set out in Rule II B. However, in its compliance plan filed pursuant to Rule VI, the utility shall demonstrate both the specific mechanisms and procedures that the utility and holding company have in place to assure that the utility is not utilizing the holding company or any of its affiliates not covered by these Rules as a conduit to circumvent any of these Rules. Examples include but are not limited to specific mechanisms and*

---

<sup>6</sup> The Commission’s Rules, which are italicized for ease of reference, are followed by Liberty’s Procedures and Mechanisms for Ensuring Compliance, which are not italicized.

*procedures to assure the Commission that the utility will not use the holding company or another utility affiliate not covered by these Rules, or a consultant or contractor as a vehicle to (1) disseminate information transferred to them by the utility to an affiliate covered by these Rules in contravention of these Rules, (2) provide services to its affiliates covered by these Rules in contravention of these Rules or (3) to transfer employees to its affiliates covered by these Rules in contravention of these Rules. In the compliance plan, a corporate officer from the utility and holding company shall verify the adequacy of the specific mechanisms and procedures to ensure that the utility is not utilizing the holding company or any of its affiliates not covered by these Rules as a conduit to circumvent any of these Rules.*

*Regulated subsidiaries of a utility, defined as subsidiaries of a utility, the revenues and expenses of which are subject to regulation by the Commission and are included by the Commission in establishing rates for the utility, are not included within the definition of affiliate. However, these Rules apply to all interactions any regulated subsidiary has with other affiliated entities covered by these rules.*

- I.B.** *“Commission” means the California Public Utilities Commission or its succeeding state regulatory body.*
- I.C.** *“Customer” means any person or corporation, as defined in Sections 204, 205 and 206 of the California Public Utilities Code that is the ultimate consumer of goods and services.*
- I.D.** *“Customer Information” means non-public information and data specific to a utility customer which the utility acquired or developed in the course of its provision of utility services.*
- I.E.** *“FERC” means the Federal Energy Regulatory Commission.*

**I.F.** *“Fully Loaded Cost” means the direct cost of good or service plus all applicable indirect charges and overheads.*

**I.G.** *“Utility” means any public utility subject to the jurisdiction of the Commission as an Electric Corporation or Gas Corporation, as defined in California Public Utilities Code Sections 218 and 222.*

### **Procedures and Mechanisms to Promote Compliance**

Rule I.A through Rule I.G require no compliance action.

## **II. APPLICABILITY OF RULES**

**II.A.** *These Rules shall apply to California public utility gas corporations and California public utility electrical corporations, subject to regulation by the California Public Utilities Commission.*

**II.B.** *For purposes of a combined gas and electric utility, these Rules apply to all utility transactions with affiliates engaging in the provision of a product that uses gas or electricity or the provision of services that relate to the use of gas or electricity, unless specifically exempted below. For purposes of an electric utility, these Rules apply to all utility transactions with affiliates engaging in the provision of a product that uses electricity or the provision of services that relate to the use of electricity. For purposes of a gas utility, these Rules apply to all utility transactions with affiliates engaging in the provision of a product that uses gas or the provision of services that relate to the use of gas.*

### **Procedures and Mechanisms to Promote Compliance**

Liberty is an “electric utility” for purposes of the Affiliate Rules. Rule II.B provides that the Affiliate Rules apply only to transactions between Liberty as an electric utility and “affiliates engaging in the provision of a product that uses electricity or the provision of services that relate to the use of electricity.”

Liberty accordingly classifies as “Rule II.B Affiliates” those affiliates that engage in the generating, marketing and/or selling of electricity. Any Liberty affiliate which was a Rule II.B Affiliate for any period through the date of filing is identified in Attachment C to the Compliance Plan. The listing provides the Rule II.B Affiliate’s name, a brief description of the affiliate’s business, and states whether it conducts business within California. It is important to note as evidenced on Attachment C that many of the Rule II.B Affiliates of Liberty conduct business exclusively in Canada.

*II.C. These Rules apply to transactions between a Commission-regulated utility and another affiliated utility, unless specifically modified by the Commission in addressing a separate application to merge or otherwise conduct joint ventures related to regulated services.*

#### **Procedures and Mechanisms to Promote Compliance**

Rule II.C requires no additional compliance action.

*II.D. These Rules do not apply to the exchange of operating information, including the disclosure of customer information to its FERC-regulated affiliate to the extent such information is required by the affiliate to schedule and confirm nominations for the interstate transportation of natural gas, between a utility and its FERC-regulated affiliate, to the extent that the affiliate operates an interstate natural gas pipeline.*

#### **Procedures and Mechanisms to Promote Compliance**

No additional compliance action is required. No affiliate of Liberty operates an interstate natural gas pipeline regulated by the FERC.

*II.E. Existing Rules: Existing Commission rules for each utility and its parent holding company shall continue to apply except to the extent they conflict with these Rules. In such cases, these Rules shall supersede prior rules and guidelines, provided that nothing herein shall preclude (1) the Commission from adopting other utility-specific guidelines; or (2) a utility or its parent holding company from adopting other utility-specific guidelines, with advance Commission approval.*

## **Procedures and Mechanisms to Promote Compliance**

Liberty continues to comply with any existing Affiliate Rule that has not been superseded. If any of the Affiliate Rules are modified or superseded, Liberty shall respond accordingly and with the intent to remain in compliance.

***II.F.** Civil Relief: These Rules shall not preclude or stay any form of civil relief, or rights or defenses thereto, that may be available under state or federal law.*

## **Procedures and Mechanisms to Promote Compliance**

Rule II.F requires no compliance action.

***II.G.** Exemption (Advice Letter): A Commission-jurisdictional utility may be exempted from these Rules if it files an advice letter with the Commission requesting exemption. The utility shall file the advice letter within 30 days after the effective date of this decision adopting these Rules and shall service it on all parties to this proceeding. In the advice letter filing, the utility shall:*

***II.G.1.** Attest that no affiliate of the utility provides services as defined by Rule II B above; and*

***II.G.2.** Attest that if an affiliate is subsequently created which provides services as defined by Rule II B above, then the utility shall:*

*II.G.2.a. Notify the Commission, at least 30 days before the affiliate begins to provide services as defined by Rule II B above, that such an affiliate has been created; notification shall be accomplished by means of a letter to the Executive Director, served on all parties to this proceeding; and Agree in this notice to comply with the Rules in their entirety.*

*II.G.2.b. Agree in this notice to comply with the Rules in their entirety.*

**II.H.** *Limited Exemption (Application): A California utility which is also a multi-state utility and subject to the jurisdiction of other state regulatory commissions, may file an application, served on all parties to this proceeding, requesting a limited exemption from these Rules or a part thereof, for transactions between the utility solely in its capacity servicing its jurisdictional areas wholly outside of California, and its affiliates. The applicant has the burden of proof.*

**II.I.** *These Rules should be interpreted broadly, to effectuate our stated objectives of fostering competition and protecting consumer interests. If any provision of these Rules, or the application thereof to any person, company, or circumstance, is held invalid, the remainder of the Rules, or the application of such provision to other persons, companies, or circumstances, shall not be affected thereby.*

### **Procedures and Mechanisms to Promote Compliance**

Rules II.G, II.H, and II.I require no compliance action, but *see* discussion of “multi-state utility” status and implications *infra*, at 42–44.

### **III. NONDISCRIMINATION**

Liberty construes the purpose of the multiple provisions in Rule III (Nondiscrimination) and Rule IV (Disclosure and Information) as intending to best ensure that the utility not interact with its unregulated affiliates in a manner which provides the unregulated affiliate any competitive advantage over the unregulated affiliate’s competitors and/or which causes the utility’s customers to essentially subsidize the unregulated affiliate. Stated differently, Rules III and IV are each populated with provisions designed to deny the utility affiliate any competitive advantage based on the affiliate’s corporate relationship with the utility and to protect the utility’s customers from any economic or other detriment associated with the operations of the utility’s unregulated affiliates.

The compelling theory underlying Rules III and IV is that: (i) in providing utility services to its customers, the utility should not discriminate between its affiliates and non-affiliates; (ii) in

procuring the goods and services necessary to serve its customers, the utility should similarly not favor affiliate vendors over non-affiliate suppliers; and (iii) that in all interactions with its affiliates, the utility should take no action harming its customers. In other words, the “competitive market,” and not the unregulated affiliate’s relationship with the utility, should decide the winners and losers in the affiliate’s line of business; and any commercial success (or failure) by the unregulated affiliate should be based entirely on the commercial merits of its product or services and at no expense or other possible detriment to the customers of the utility.

Accordingly, for the most part, the provisions of Rules III and IV are inapposite to Liberty. As stressed before, no Rule II.B Affiliate currently engages in business within the Liberty service territory with the exception of the provision of energy by Luning Energy, LLC, a transaction that was thoroughly vetted by the Commission in Docket 16-01-021 and by the Federal Energy Regulatory Commission. Liberty thus has no opportunity to (i) provide its affiliate utility service on terms more favorable than it offers third parties and as required by approved tariffs; or (ii) procure goods or services from an affiliate on terms less attractive than the market offers. Thus the discriminatory and anticompetitive practices that the provisions in Rules III and IV are designed to police are essentially not germane.

The Commission has recognized that at least certain prohibitions against particular anticompetitive or discriminatory types of conduct typically do not arise in the relationship between a California regulated utility and its utility affiliates outside of California who are subject to the jurisdiction of their state’s regulatory commission. In particular, Rule I.H of the Water Company Affiliate Rules<sup>7</sup> provides:

A California utility’s affiliates that operate entirely outside of California are exempt from Rule III.B and Rule III.C of these Rules, for transactions between the utility and such affiliates, if the affiliates’ operations do not substantially affect the utility’s operations and the operating costs inside California.

---

<sup>7</sup> The Affiliate Transaction Rules Applicable to Class A and B Water Utilities were adopted by D.10-10-019, as modified by D.11-10-034.

Liberty recognizes that Water Affiliate Rule I.H does not exempt its relationships with its out-of-state utility affiliates from any provisions of Rules III or IV. Nonetheless, it should be noted that the operations of none of the out-of-state utility affiliates of Liberty “substantially affect [Liberty’s] operations and the operating costs inside California.” This economic fact underscores the lack of relevance of the anticompetitive and anti-discrimination provisions in Rules III and IV to the business of Liberty.

Accordingly as will be set forth in the individual discussions below, the response in the Liberty Compliance Plan to many provisions in Rules III and IV is simply that Liberty as a normal practice neither provides nor procures goods or services from its Rule II.B. affiliates; and that Liberty neither receives nor distributes information to any affiliate conducting business within its service territory, with the exception of centralized service companies such as Service Corp. Moreover, Liberty has not provided, and shall not provide, preferential treatment to its affiliates; and in all events, Liberty will view its affiliates with respect to the flow of products, revenues, and information in a manner consistent with its unaffiliated companies and/or customers.

***III.A. No Preferential Treatment Regarding Services Provided By the Utility***

*Unless otherwise authorized by the Commission or the FERC, or permitted by these Rules, a utility shall not:*

***III.A.1.*** *Represent that as a result of the affiliation with the utility, its affiliates or customers of its affiliates will receive any different treatment by the utility than the treatment the utility provides to other, unaffiliated companies or their customers; or*

***III.A.2.*** *Provide its affiliates, or customers of its affiliates, any preference (including but not limited to terms and conditions, pricing, or timing) over non-affiliated suppliers or their customers in the provision of services provided by the utility.*

## Procedures and Mechanisms to Promote Compliance

For the reasons set forth immediately above, Rule III.A is not germane.

### ***III.B. Affiliate Transactions***

*Transactions between a utility and its affiliates shall be limited to tariffed products and services, the sale of goods, property, products or services made generally available by the utility or affiliate to all market participants through an open, competitive bidding process, to the provision of information made generally available by the utility to all market participants, to Commission-approved resource procurement by the utility, or as provided for in Sections V. D. and V. E. (joint purchases and corporate support) and Section VII (new products and services) below, provided the transactions provided for in Section VII comply with all of the other adopted rules.*

## Procedures and Mechanisms to Promote Compliance

Tariffed products and services. Liberty provides services to its customers consistent with its tariffs and in a nondiscriminatory fashion. No affiliate currently conducts business within the Liberty service territory. Accordingly, Liberty does not provide electric service to any of its affiliates and thus, for the most part, this portion of the Affiliate Rules currently is not germane.

1. Open competitive bidding process. Liberty has conducted two solicitations relating to energy procurement. The first process culminated with the Commission's approval of Liberty's request to enter a purchase and sale agreement to acquire, own, and operate the Luning Solar Project in the Luning Approval Decision.<sup>8</sup>

No affiliate of Liberty was a respondent in the solicitation.<sup>9</sup> Liberty conducted a second solicitation for a third party developer to construct and sell the Turquoise

---

<sup>8</sup> See *supra*, at 4, n.8.

<sup>9</sup> Based on their relevant expertise, individuals from Liberty's affiliates provided shared services to Liberty with respect to the Luning Solar Project and the Turquoise Solar Project. These individuals helped negotiate the commercial and financing agreements, solicit and select the unaffiliated tax equity partners, and also sponsor testimony relating to the solar projects and tax equity financing in the CPUC proceedings culminating with the issuance of the Luning Approval Decision and the Turquoise Approval Decision.

solar project. No affiliate of Liberty was a respondent to the solicitation.

2. Shared services. See discussion under Rules V.D (Joint Purchases) and V.E (Corporate Support).
3. Energy Procurement. In addition to the commercial arrangements which will enable Liberty to purchase, own, and operate 50 MW of solar generation from the Luning Solar Project<sup>10</sup> and 10 MW of solar generation from the Turquoise Solar Project<sup>11</sup>, Liberty has entered into two services agreements with NV Energy through which Liberty has obtained essentially its “full electric requirements” to serve the electric needs of its customers. In 2010, the Commission approved the initial NV Energy Services Agreement.<sup>12</sup>

In 2015, the Commission approved the NV Energy Services Agreement, which has a term starting in January 2016 and expired in December 2020.<sup>13</sup> Liberty was assisted in its negotiations of this NV Energy Services Agreement by Service Corp employees whose primary responsibility is procurement for Liberty’s Rule II.B Affiliate Liberty Utilities (Granite State Electric) Corp. and The Empire District Electric Company. The time these individuals spent assisting on the current NV Energy Services Agreement negotiations was directly billed to Liberty.

### ***III.B.1. Provision of Supply, Capacity, Services or Information***

*Except as provided for in Sections V. D, V. E, and VII, provided the transactions provided for in Section VII comply with all of the other adopted*

---

<sup>10</sup> See *supra*, at 4, n.8 and *infra* at 18–19, 49.

<sup>11</sup> See Final Decision D1712008 on December 19, 2017 regarding Application 16-12-009.

<sup>12</sup> See D.10-10-017.

<sup>13</sup> See D.15-12-021. The Commission did impose certain conditions on its approval, *see id.* at 48–49 (Ordering Paragraph 1). These conditions have been fulfilled. See Liberty Advice Letter 51-E, at 1 (December 22, 2015).

*Rules, a utility shall provide access to utility information, services, and unused capacity or supply on the same terms for all similarly situated market participants. If a utility provides supply, capacity, services, or information to its affiliate(s), it shall contemporaneously make the offering available to all similarly situated market participants, which include all competitors serving the same market as the utility's affiliates.*

### **Procedures and Mechanisms to Promote Compliance**

Liberty maintains that its policies are designed to best assure compliance with the Affiliate Rules and sufficiently fulfilled the objectives of Rule III.B.1. Liberty intends to retain these existing policies and practices as an integral component of its Compliance Plan going forward.

With particular respect to Rule III.B.1, it need again be stressed that Liberty did not procure any energy, capacity, or transmission services from any affiliate with the exception of the Luning and Turquoise transactions; and it did not provide supply, capacity, services, or other information to any Rule II.B. affiliate (other than for the purpose the affiliate providing a shared service to assist Liberty to provide service to its customers). No affiliate engaged in, or offered to conduct any, business in Liberty's service territory.

Liberty obtained through the Luning Approval Decision the authority to enter a purchase and sale agreement to acquire, own, operate, and obtain solar generation from the Luning Solar Project. The Luning Solar Project was developed and constructed by an unaffiliated third party in Nevada and outside of the Liberty service territory. It commenced commercial operation in February 2017. The transactions by which Liberty obtains solar generation from the Luning Solar Project involved certain commercial arrangements between Liberty and certain entities which are now Rule II.B Affiliates.

In the Luning Approval Decision, the Commission approved these commercial arrangements and also imposed various reporting requirements on, and approved certain ratemaking protocols for, Liberty with respect to the further development, construction, and operation and rate recovery

for, the Luning Solar Project.<sup>14</sup> Liberty is in compliance with the requirements of the Luning Approval Decision.

Similarly, Liberty obtained through the Turquoise Approval Decision the authority to enter a purchase and sale agreement to acquire, own, operate, and obtain solar generation from the Turquoise Solar Project. The transactions by which Liberty obtains solar generation from the Turquoise Solar Project involved certain commercial arrangements between Liberty and certain entities which are now Rule II.B Affiliates once created and operational. In the Turquoise Approval Decision, the Commission approved these commercial arrangements and also imposed various reporting requirements on, and approved certain ratemaking protocols for, Liberty with respect to the further development, construction, and operation and rate recovery for, the Turquoise Solar Project. Liberty will comply with the requirements of the Turquoise Approval Decision.

### ***III.B.2. Offering of Discounts***

*Except when made generally available by the utility through an open, competitive bidding process, if a utility offers a discount or waives all or any part of any other charge or fee to its affiliates, or offers a discount or waiver for a transaction in which its affiliates are involved, the utility shall contemporaneously make such discount or waiver available to similarly situated market participants. The utilities should not use the “similarly situated” qualification to create such a unique discount arrangement with their affiliates such that no competitor could be considered similarly situated. All competitors serving the same market as the utility’s affiliates should be offered the same discount as the discount received by the affiliates. A utility shall document the cost differential underlying the discount to its affiliates in the affiliate discount report described in Rule III F 7 below.*

---

<sup>14</sup> See Luning Approval Decision, at 43–44 (Ordering Paragraph 1). See also *supra* at 4, n.8 and *infra* at 49.

## **Procedures and Mechanisms to Promote Compliance**

As explained previously, Liberty does not currently provide any utility services to any of its affiliates and is accordingly in compliance with Rule III.B.2.

### ***III.B.3. Tariff Discretion***

*If a tariff provision allows for discretion in its application, a utility shall apply that tariff provision in the same manner to its affiliates and other market participants and their respective customers.*

### ***III.B.4. No Tariff Discretion***

*If a utility has no discretion in the application of a tariff provision, the utility shall strictly enforce that tariff provision.*

### ***III.B.5. Processing Requests for Services Provided by the Utility***

*A utility shall process requests for similar services provided by the utility in the same manner and within the same time for its affiliates and for all other market participants and their respective customers.*

## **Procedures and Mechanisms to Promote Compliance**

As explained previously, Liberty does not currently provide any utility services to any of its affiliates and thus it offers no discounts, rebates, tariff deviations, or fee waivers to any affiliate.

Nonetheless, Liberty appreciates that the Affiliate Rules are intended to ensure that Liberty implements its tariffs in a nondiscriminatory fashion. Accordingly, to the extent the situation may ever arise, Liberty shall apply the provisions in its tariffs in the same manner to its affiliates as it does to all other market participants and their respective customers.

### ***III.C. Tying of Services Provided by a Utility Prohibited***

*A utility shall not condition or otherwise tie the provision of any services provided by the utility, nor the availability of discounts of rates or other charges or fees, rebates, or*

*waivers of terms and conditions of any services provided by the utility, to the taking of any goods or services from its affiliates.*

### **Procedures and Mechanisms to Promote Compliance**

As explained previously, Liberty does not currently provide any utility services to any of its affiliates, and thus it offers no discounts, rebates, tariff deviations, or fee waivers to its affiliates. Liberty, accordingly, does not condition or otherwise tie the provision of any service it provides or the availability of any discount, charge, fee, rebate, or waiver to the taking of any affiliate's goods or services.

#### ***III.D. No Assignments of Customers***

*A utility shall not assign customers to which it currently provides services to any of its affiliates, whether by default, direct assignment, option or by any other means, unless that means is equally available to all competitors.*

### **Procedures and Mechanisms to Promote Compliance**

As explained previously, no affiliate currently conducts, and no affiliate is intending to engage in, business within the Liberty service territory. Thus, there is no possibility that Liberty would assign any customer to any of its covered affiliates.

#### ***III.E. Business Development and Customer Relations***

*Except as otherwise provided by these Rules, a utility shall not:*

- III.E.1.*** *provide leads to its affiliates;*
- III.E.2.*** *solicit business on behalf of its affiliates;*
- III.E.3.*** *acquire information on behalf of or to provide to its affiliates;*
- III.E.4.*** *share market analysis reports or any other types of proprietary or non-publicly available reports, including but not limited to market, forecast, planning or strategic reports, with its affiliates;*
- III.E.5.*** *request authorization from its customers to pass on customer information exclusively to its affiliates;*
- III.E.6.*** *give the appearance that the utility speaks on behalf of its affiliates or that the customer will receive preferential treatment as a consequence of conducting*

*business with the affiliates; or*

**III.E.7.** *give any appearance that the affiliate speaks on behalf of the utility.*

### **Procedures and Mechanisms to Promote Compliance**

Liberty believes that the objective of the various prohibitions delineated in Rule III.E are to best ensure that the utility does not provide “leads” or other non-public information to unregulated Rule II.B Affiliates and thereby disadvantage the affiliate’s competitors in the marketplace. As explained previously, no affiliate (a Rule II.B Affiliate or otherwise) currently conducts business within the Liberty service territory, with the exception of centralized service companies that provide services to Liberty. Thus, the risk of misuse of information which this Affiliate Rule is designed to prohibit currently is not present.

Nonetheless, to the extent any of the affiliate relationship situations which Rule III.E is intended to police will ever arise, Liberty shall comply with its requirements. In particular, Liberty has a policy that no one performing services on its behalf: (i) provide any leads to affiliates; and/or (ii) solicit business on behalf of affiliates. Liberty to the extent necessary, provides training on these subjects and issue periodic communications to the individuals performing services for it and to its affiliates directing them to comply with these rules. As permitted by the Affiliate Rules and as described previously, Liberty does provide information to certain of its affiliates for purposes of enabling such affiliate to provide permitted shared services in order to assist Liberty in providing electric service to its customers.

### **III.F. Affiliate Discount Reports**

*If a utility provides its affiliates a discount, rebate, or other waiver of any charge or fee associated with products or services provided by the utility, the utility shall, within 24 hours of the time at which the product or service provided by the utility is so provided, post a notice on its electronic bulletin board providing the following information:*

**III.F.1.** *the name of the affiliate involved in the transaction;*

**III.F.2.** *the rate charged;*

**III.F.3.** *the maximum rate;*

**III.F.4.** *the time period for which the discount or waiver applies;*

- III.F.5. the quantities involved in the transaction;*
- III.F.6. the delivery points involved in the transaction;*
- III.F.7. any conditions or requirements applicable to the discount or waiver, and a documentation of the cost differential underlying the discount as required in Rule III B 2 above; and*
- III.F.8. procedures by which a nonaffiliated entity may request a comparable offer.*

*A utility that provides an affiliate a discounted rate, rebate, or other waiver of a charge or fee associated with services provided by the utility shall maintain, for each billing period, the following information:*

- III.F.9. the name of the entity being provided services provided by the utility in the transaction;*
- III.F.10. the affiliate's role in the transaction (i.e., shipper, marketer, supplier, seller);*
- III.F.11. the duration of the discount or waiver;*
- III.F.12. the maximum rate;*
- III.F.13. the rate or fee actually charged during the billing period; and*
- III.F.14. the quantity of products or services scheduled at the discounted rate during the billing period for each delivery point.*

*All records maintained pursuant to this provision shall also conform to FERC rules where applicable.*

### **Procedures and Mechanisms to Promote Compliance**

As set forth previously, no affiliate currently conducts business in Liberty's service area and, accordingly, Liberty neither offers to provide nor provides any affiliate any utility services. Accordingly, the risk that this Affiliate Rule seeks to address (*i.e.*, Liberty offering an affiliate a discriminatory discount and thus an unwarranted competitive advantage) currently is not present.

Nonetheless in the event that Liberty were ever to offer an affiliate a discount, rebate, or waives all or any part of a fee as part of the provision of a utility service, Liberty shall maintain the

records required by Rule III.F and shall post the required information on Liberty's internet web site within one calendar day.

#### ***IV. DISCLOSURE AND INFORMATION***

##### ***IV.A. Customer Information***

*A utility shall provide customer information to its affiliates and unaffiliated entities on a strictly nondiscriminatory basis, and only with prior affirmative customer written consent.*

##### **Procedures and Mechanisms to Promote Compliance**

Employees of Service Corp and other Liberty affiliates providing services to Liberty have access to customer information on an as-needed basis for the specific purpose to provide Liberty shared services. Information relating to the customers of Liberty is not otherwise accessible to any affiliate. To the extent Liberty needs to provide customer information to third parties in connection with providing the customer electric utility service, Liberty requires authorization by written paper or electronic customer consent for the release of any customer specific information<sup>15</sup> unless allowed by an order of the Commission or allowed by a legal process.

Liberty will obtain customer written consent and maintain this information as required by the Commission's rules.

No customer of Liberty currently engages in any direct access transaction. To the extent a customer were to make a request to engage in a direct access transaction, Liberty would process the request in compliance with the California Public Utilities Code and Liberty Electric Service Rule 22, as set forth in Advice Letter Number 28-E. Liberty shall comply with the provisions of Section C of Rule 22, Direct Access Service, which delineate the procedures that Liberty will

---

<sup>15</sup> See California Civil Code Section 1633.1 *et seq.* (authorizing the use of electronic transactions/signatures to satisfy laws requiring records to be in writing).

implement in providing customer specific information necessary to process requests for a customer to participate in direct access.

#### ***IV.B. Non-Customer Specific Non-Public Information***

*A utility shall make non-customer specific non-public information, including but not limited to information about a utility's natural gas or electricity purchases, sales, or operations or about the utility's gas-related goods or services and electricity-related goods or service, available to the utility's affiliate only if the utility makes that information contemporaneously available to all other service providers on the same terms and conditions, and keeps the information open to public inspection. Unless otherwise provided by these Rules, a utility continues to be bound by all Commission-adopted pricing and reporting guidelines for such transactions. A utility is also permitted to exchange proprietary information on an exclusive basis with its affiliates, provided the utility follows all Commission-adopted pricing and reporting guidelines for such transactions, and it is necessary to exchange this information in the provision of the corporate support services permitted by Rule V.E. below. The affiliate's use of such proprietary information is limited to use in conjunction with the permitted corporate support services, and is not permitted for any other use. Nothing in this Rule precludes the exchange of information pursuant to D.97-10-031.*

#### **Procedures and Mechanisms to Promote Compliance**

Liberty shares non-customer specific, non-public information with an affiliate only in connection with such affiliate providing shared services to Liberty in connection with, and for the singular purpose of, Liberty providing electric service to its customers. In such a limited context, the risk that this Rule IV.B is intended to police (*i.e.*, that Liberty will provide a Rule II.B Affiliate conducting an electricity-related business within the Liberty service territory a competitive advantage over an unaffiliated third party competitors) does not exist.

Thus there is no need, and it would harm the customers of Liberty, for Liberty to, as contemplated by Rule IV.B, to make such customer “information contemporaneously available to all other service providers on the same terms and conditions, and keeps the information open

to public inspection.” As explained before, no affiliate currently engages in any business within the Liberty service territory.

In any event, with respect to any customer-related information that Liberty makes available to an affiliate: (i) such information is necessary for the affiliate to provide shared services enabling Liberty serve its customers (*i.e.*, assistance in energy procurement or corporate oversight or governance); (ii) the affiliate uses such information only for such limited purpose; and (iii) the disclosure of the information to the affiliate creates no possible opportunity for the affiliate to obtain an unfair competitive advantage.

#### ***IV.C. Service Provider Information***

***IV.C.1.*** *Except upon request by a customer or as otherwise authorized by the Commission, or another governmental body, a utility shall not provide its customers with any list of service providers, which includes or identifies the utility's affiliates, regardless of whether such list also includes or identifies the names of unaffiliated entities. A utility shall submit lists approved by other governmental bodies in the first semi-annual advice letter filing, referenced in Rule IV.C.2 following such approval, but may provide customers with such lists pending action on the advice letter.*

***IV.C.2.*** *If a customer requests information about any affiliated service provider, the utility shall provide a list of all providers of gas-related, electricity related, or other utility-related goods and services operating in its service territory, including its affiliates. The Commission shall authorize, by semi-annual utility advice letter filing, and either the utility, the Commission, or a Commission-authorized third party provider shall maintain on file with the Commission a copy of the most updated lists of service providers which have been created to disseminate to a customer upon a customer's request. Any service provider may request that it be included on such list, and, barring Commission direction, the utility shall honor such request. Where maintenance of such list*

*would be unduly burdensome due to the number of service providers, subject to Commission approval by advice letter filing, the utility shall direct the customer to a generally available listing of service providers (e.g., the Yellow Pages). Then list of service providers should make clear that the Commission does not guarantee the financial stability or service quality of the service providers listed by the act of approving this list.*

### **Procedures and Mechanisms to Promote Compliance**

As stated previously, no affiliate of Liberty offers to, or provides, gas-related, electricity related, or other utility-related goods and services within Liberty's service area. Thus the risk that this Affiliate Rule seeks to address (*i.e.*, that the utility will influence its customer to obtain gas-related, electricity related, or other utility-related goods and services from the utility's affiliate) is not present with respect to Liberty.

#### ***IV.D. Supplier Information***

*A utility may provide non-public information and data which has been received from unaffiliated suppliers to its affiliates or non-affiliated entities only if the utility first obtains written affirmative authorization to do so from the supplier. A utility shall not actively solicit the release of such information exclusively to its own affiliate in an effort to keep such information from other unaffiliated entities.*

### **Procedures and Mechanisms to Promote Compliance**

To the extent that an affiliate were to request information relating to a supplier of Liberty, absent having written authorization to provide additional information, Liberty would provide its affiliate only public information.

#### ***IV.E. Affiliate-Related Advice or Assistance***

*Except as otherwise provided in these Rules, a utility shall not offer or provide customers advice or assistance with regard to its affiliates or other service providers.*

## **Procedures and Mechanisms to Promote Compliance**

Liberty will comply with Rule IV.E's requirements.

### ***IV.F. Record Keeping***

*A utility shall maintain contemporaneous records documenting all tariffed and nontariffed transactions with its affiliates, including but not limited to, all waivers of tariff or contract provisions and all discounts. A utility shall maintain such records for a minimum of three years and longer if this Commission or another government agency so requires. The utility shall make such records available for third party review upon 72 hours' notice, or at a time mutually agreeable to the utility and third party.*

*If D.97-06-110 is applicable to the information the utility seeks to protect, the utility should follow the procedure set forth in D.97-06-110, except that the utility should serve the third party making the request in a manner that the third party receives the utility's D.97-06-110 requests for confidentiality within 24 hours of service.*

## **Procedures and Mechanisms to Promote Compliance**

As stated previously, Liberty does not currently provide electric services — tariffed or non-tariffed — to any affiliate. No affiliate of Liberty is currently conducting business within the Liberty service territory. Accordingly, the requirements of Rule III.F relating to waivers of tariff or contract provisions and discounts are not germane.

With respect to any shared services an affiliate provides Liberty, it will comply with Rule III.F.

It should be noted that the billing records are processed in aggregate, on a monthly billing cycle. Thus, Liberty is billed monthly by its affiliates that provide it shared services.

All requests from third parties for affiliate transaction information are to be made to Manager, Rates and Regulatory Affairs, who will, for all reasonable requests arrange for retrieval and presentation of public information within the time required. All requests pursuant to this Rule should be submitted in writing to:

Elly O'Doherty  
Manager, Rates and Regulatory Affairs  
Liberty Utilities (CalPeco Electric) LLC  
933 Eloise Avenue  
South Lake Tahoe, CA 96150

***IV.G. Maintenance of Affiliate Contracts and Related Bids***

*A utility shall maintain a record of all contracts and related bids for the provision of work, products or services between the utility and its affiliates for no less than a period of three years, and longer if this Commission or another government agency so requires.*

**Procedures and Mechanisms to Promote Compliance**

Liberty has not received any bids to provide work or products from any of its affiliates. Liberty has written services agreements with certain affiliates to ensure transparency regarding those transactions. Liberty has filed all such agreements with the Commission.

As explained previously, employees of certain affiliates perform corporate support functions on behalf of Liberty and in connection with Liberty's provision of service to its customers. Any cost associated with its affiliates' performance of such function is allocated in a manner consistent with the APUC Corporate Cost Allocation Manual and Commission requirements.

Liberty will comply with Rule IV.G's requirements with respect to retention of any necessary documents.

***IV.H. FERC Reporting Requirements***

*To the extent that reporting rules imposed by the FERC require more detailed information or more expeditious reporting, nothing in these Rules shall be construed as modifying the FERC rules.*

**Procedures and Mechanisms to Promote Compliance**

No additional compliance action is required.

## ***V. SEPARATION***

### ***V.A. Corporate Entities***

*A utility and its affiliates shall be separate corporate entities.*

### **Procedures and Mechanisms for Ensuring Compliance**

Liberty and its affiliates are separate corporate entities.

### ***V.B. Books and Records:***

*A utility and its affiliates shall keep separate books and records.*

***V.B.1.*** *Utility books and records shall be kept in accordance with the applicable Uniform System of Accounts (“USOA”) and Generally Accepted Accounting Procedures (“GAAP”).*

***V.B.2.*** *The books and records of a utility’s parent holding company and affiliates shall be open for examination by the Commission and its staff consistent with the provisions of Public Utilities Code Sections 314.*

### **Procedures and Mechanisms to Promote Compliance**

The Liberty accounting books and records are maintained separately from the accounting books and records of any affiliate. Liberty follows and will continue to follow USOA and GAAP standards. The accounting books and records of Liberty and its affiliates are open for examination by the CPUC with respect to any transaction between Liberty and any such affiliate pursuant to Public Utilities Code Section 314(b) and D.12-06-005<sup>16</sup> and D.10-10-017.<sup>17</sup>

---

<sup>16</sup> See D.12-06-005, mimeo at 17 (Ordering Paragraph 3, subsection ii).

<sup>17</sup> See D.10-10-017, mimeo at 2, 46, 63 (Ordering Paragraph 1, subsection 1(c)).

***V.C. Sharing of Plant, Facilities, Equipment or Costs***

*A utility shall not share office space, office equipment, services, and systems with its affiliates, nor shall a utility access the computer or information systems of its affiliates or allow its affiliates to access its computer or information systems, except to the extent appropriate to perform shared corporate support functions permitted under Section V.E. of these Rules. Physical separation required by this rule shall be accomplished preferably by having office space in a separate building, or, in the alternative, through the use of separate elevator banks and/or security-controlled access. This provision does not preclude a utility from offering a joint service provided this service is authorized by the Commission and is available to all non-affiliated service providers on the same terms and conditions (e.g., joint billing services pursuant to D.97-05-039).*

**Facilities Separation:**

Liberty does not share its office space, office equipment, services and systems with its affiliates.

**Information Technology:**

With the objective to best ensure compliance with the Affiliate Rules relating to utility and affiliate separation, the information systems within APUC have imposed restrictions on access to information. Thus, only those persons whose responsibilities require that they have access to information associated with an affiliate are allowed access to the information; an employee whose responsibilities do not require access to information associated with an affiliate has no ability to access the affiliate's information. Information Technology representatives of Liberty and APUC already have ITGCs (IT General Controls) in place that requires user-access reviews by system owners to ensure appropriate access is assigned to the appropriate staff, and are in the process of completing a formal policy delineating access control.

***V.D. Joint Purchases***

*To the extent not precluded by any other Rule, the utilities and their affiliates may make joint purchases of goods and services, but not those associated with the traditional utility merchant function. For purpose of these Rules, to the extent that a utility is engaged in*

*the marketing of the commodity of electricity or natural gas to customers, as opposed to the marketing of transmission and distribution services, it is engaging in merchant functions. Examples of permissible joint purchases include joint purchases of office supplies and telephone services. Examples of joint purchases not permitted include gas and electric purchasing for resale, purchasing of gas transportation and storage capacity, purchasing of electric transmission, systems operations, and marketing. The utility must ensure that all joint purchases are priced, reported, and conducted in a manner that permits clear identification of the utility and affiliate portions of such purchases, and in accordance with applicable Commission allocation and reporting rules.*

### **Procedures and Mechanisms to Promote Compliance**

Liberty construes a “joint purchase” which is the focus of Rule V.D, as involving a purchase by two entities combining to make one purchase of electric-related products or services.

Conversely, Liberty does not construe a joint purchase as the situation in which there is one purchaser (*i.e.*, Liberty) and an employee of an affiliate provides a shared service to assist the unilateral utility purchaser. Stated differently, unless there are two or more actual purchasers acting in concert, there is no joint procurement within the meaning of the Affiliate Rules.

Liberty’s definition of joint purchase is consistent with the objectives of Rule IV.D to preclude joint procurement activities from allowing the unregulated affiliate to be subsidized by, or otherwise obtain a competitive advantage attributable to its corporate relationship with, a regulated utility. Under such an interpretation of joint procurement, Liberty does not engage in joint purchases with any of its affiliates.

Each utility within the Liberty Utilities Co. family separately procures items directly related to the provision of utility services on its own. Certain general administrative and “back office” items and services (*i.e.*, insurance and certain technology-related items) are purchased by upstream affiliates for use by numerous affiliates. Any such permissible purchases made by an upstream affiliate for the benefit of Liberty comply with the requirements of Rule V.D.

#### **V.E. Corporate Support**

*As a general principle, a utility, its parent holding company, or a separate affiliate created solely to perform corporate support services may share with its affiliate's joint corporate oversight, governance, support systems and personnel, as further specified below. Any shared support shall be priced, reported and conducted in accordance with the Separation and Information Standards set forth herein, as well as other applicable Commission pricing and reporting requirements.*

*As a general principle, such joint utilization shall not allow or provide a means for the transfer of confidential information from the utility to the affiliate, create the opportunity for preferential treatment or unfair competitive advantage, lead to customer confusion, or create significant opportunities for cross-subsidization of affiliates. In the compliance plan, a corporate officer from the utility and holding company shall verify the adequacy of the specific mechanisms and procedures in place to ensure the utility follows the mandates of this paragraph, and to ensure the utility is not utilizing joint corporate support services as a conduit to circumvent these Rules.*

*Examples of services that may be shared include: payroll, taxes, shareholder services, insurance, financial reporting, financial planning and analysis, corporate accounting, corporate security, human resources (compensation, benefits, employment policies), employee records, regulatory affairs, lobbying, legal, and pension management.*

*Examples of services that may not be shared include: employee recruiting, engineering, hedging and financial derivatives and arbitrage services, gas and electric purchasing for resale, purchasing of gas transportation and storage capacity, purchasing of electric transmission, system operations, and marketing.*

#### **Procedures and Mechanisms to Promote Compliance**

As described throughout this Compliance Plan, Service Corp and other affiliates of Liberty provide permitted shared services to Liberty. Common services that are currently shared with affiliates are to the extent possible direct-charged to affiliates via an individual inter-company

invoice at month-end. Additionally, in those instances in which shared services provided by an affiliate are specific only to Liberty the associated expenses are direct-charged to Liberty as circumstances warrant.

As stated previously, any costs for which Liberty has requested rate recovery for the provision by affiliates of such services have been and will continue to be allocated to Liberty in a manner consistent with the APUC Corporate Cost Allocation Manual and Commission requirements. The recovery in rates of these costs is subject to scrutiny by the Office of Ratepayer Advocates and ultimately approval by the Commission in Liberty's general rate cases.

Liberty Utilities Co., Service Corp, Liberty Utilities (Canada) Corp., Liberty Park Water, Liberty Apple Valley and APUC provide Liberty shared services in the following functional areas: Audit Services, Controller and Corporate Taxes, Compliance, Corporate Relations, Corporate Security, Customer Service, Finance, Legal, Human Resources, Information Technology, Investor Relations, Risk Analysis & Management, Treasury, Regulatory, Environmental, and Health and Safety.<sup>18</sup> In addition, the services provided include financing, strategic management services, financial controls, corporate governance, and administration and management services such as consultation on management and administration on aspects of the electric utility business, including economic and strategic analysis.

Rule V.E on its face would prohibit Liberty from obtaining the assistance of any employee of any affiliate with respect to “employee recruiting, engineering, hedging and financial derivatives and arbitrage services, gas and electric purchasing for resale, purchasing of gas transportation and storage capacity, purchasing of electric transmission, system operations, and marketing.” In the particular context of Liberty (*i.e.*, no affiliate engages in any business within the service territory of Liberty) several of these apparent prohibitions should be deemed inapplicable. If

---

<sup>18</sup> The Commission acknowledged in D.98-08-035 that the list of permissible shared services presented in Rule V.E is not exhaustive and thus the above does not represent an exhaustive list of all shared services that Liberty may receive from its above affiliates.

construed strictly and literally, the prohibition would offer no protection for, or any benefit to, the customers of Liberty, but would serve to decrease efficiency and increase costs.

For instance, the bar against an affiliate providing assistance with respect to “employee recruiting” serves no beneficial purpose and should be deemed inapplicable. The risk this Rule is designed to monitor (*i.e.*, an employee recruit attractive to Liberty being “lured away” to the employ of an unregulated affiliate) is simply not present. Moreover, if read literally, this prohibition would prohibit employees of any Liberty affiliate from access to any postings that Liberty makes regarding job openings.

Similarly, there is no apparent reason for the Affiliate Rules to bar Liberty from obtaining engineering support as a shared service and it should also be deemed inapplicable. The Commission adopted the Rule V.E prohibition against engineering in D. 97-12-088. However, the decision is conspicuous for the absence of any direct reasoning explaining the Commission’s reasoning to reject engineering as a permissible shared service.<sup>19</sup> The anomaly of the prohibition against engineering being a permissible shared service is compounded by the fact that the Affiliate Transaction Rules Applicable to Class A and B Water Utilities in Rule V.C authorize “engineering” services to be a shared service.<sup>20</sup>

The verifications of Eric Schwarzrock as an officer of Liberty is set forth as Attachment D to the Liberty Compliance Plan. These verifications attest to the adequacy of the procedures and mechanisms in place to ensure that Liberty and its affiliates follow the Affiliate Rules, and that Liberty and its affiliates are not utilizing joint corporate support services as a conduit to circumvent the Affiliate Rules.

---

<sup>19</sup> See D.97-12-088, mimeo at 55–57.

<sup>20</sup> The original Affiliate Transaction Rules Applicable to Class A and B Water Utilities adopted in D.10- 10-019 prohibited engineering services from being shared among a utility, its parent company, and separate affiliates; however, the Commission granted the request to have engineering services be designated a permissible shared service in D.11-10-034. See D.11-10-034, mimeo at 13–14.

## ***V.F. Corporate Identification and Advertising***

***V.F.1.*** *A utility shall not trade upon, promote, or advertise its affiliate's affiliation with the utility, nor allow the utility name or logo to be used by the affiliate or in any material circulated by the affiliate, unless it discloses in plain legible or audible language, on the first page or at the first point where the utility name or logo appears that:*

*V.F.1.a.* *the affiliate “is not the same company as [i.e. PG&E, Edison, the Gas Company, etc.], the utility”;*

*V.F.1.b.* *the affiliate is not regulated by the California Public Utilities Commission; and*

*V.F.1.c.* *“you do not have to buy [the affiliate’s] products in order to continue to receive quality regulated services from the utility.”*

*The application of the name/logo disclaimer is limited to the use of the name or logo in California.*

## **Procedures and Mechanisms to Promote Compliance**

Liberty Utilities Co. directly or indirectly owns regulated utilities in 13 states besides California. The members of the Liberty Utilities Co. family of operating utilities each include “Liberty” or “Liberty Utilities” as part of their corporate name. Additionally, the Liberty Utilities Co. family of utilities also shares a common logo.

Nonetheless, as none of the other members of the Liberty Utilities Co. family of utilities offers to conduct business or currently conducts business in the Liberty service territory, the risk this Affiliate Rule is designed to address (*i.e.*, a customer resident within the Liberty service territory obtaining a product or service from an affiliate of Liberty believing the affiliate to be the same company as Liberty) does not exist. Moreover, the benefits of, possible need for, and even

ability of Liberty to comply with the requirements of Rule V.F are unclear, uncertain, and, in some respects, impossible.

Foremost, Liberty Park Water and Liberty Apple Valley are the lone two affiliates who conduct business within California and use the Liberty Utilities name or logo (they first became affiliates in 2016). As neither is engaged in the electric business, the relationship between Liberty and each water utility is not subject to Rule II.B and thus Rule V.F should be deemed inapplicable on that basis.

Additionally, any affiliate of Liberty which provides services to third parties and has “Liberty Utilities” within its name is owned by Liberty Utilities Co. and is a public utility. Accordingly, the businesses of the “Liberty Utilities”- named affiliates are restricted to the provision of *regulated* water, sewer, natural gas or electric service. As such the regulated utilities which share the Liberty Utilities name and logo are restricted by law to engage in their respective business only within their respective service territories. The franchised utility service territory of none of the Liberty’s affiliates overlap with the California service territory in which Liberty has the obligation to provide utility service.

Moreover, no unregulated affiliate of Liberty currently provides or offers to provide any service to customers within the Liberty service territory. To the extent any such unregulated affiliate were in the future to offer to provide services or sell products within the Liberty service territory, such affiliate would not have the words “Liberty Utilities” within its name and would not use the “Liberty Utilities” logo — the use of the term “Liberty Utilities” is reserved entirely for the Liberty Utilities Co. family of regulated companies.

Further, any such arbitrary imposition of these rules would require Liberty to make statements contrary to the facts. As both Liberty Park Water and Liberty Apple Valley are regulated by this Commission, Liberty cannot, as Rule V.F.1.b. would require, represent that “the affiliate is not regulated by the California Public Utilities Commission.”

Second, Liberty is not aware that any of its customers is resident within the service territory of either Liberty Park Water or Liberty Apple Valley.<sup>21</sup> If this assumption is correct, any customer of Liberty is *per se* ineligible to receive water service from either water utility affiliate. Thus no purpose would be served (and on the contrary unnecessary confusion engendered) by obligating Liberty to advise, as Rule V.F.1.c. would require, its customers that they “do not have to buy products [offered by either Liberty Park Water or Liberty Apple Valley] in order to continue to receive quality regulated services from the utility.”

Thus as of the present time, Rule V.F.1 should be deemed inapplicable to the use of the Liberty Utilities’ name and logo by any member of the Liberty Utilities Co. group.

Nonetheless, in the event that a Rule II.B Affiliate not subject to the jurisdiction of this Commission were to offer electric-related services or products to customers located within the Liberty service territory and use the name Liberty Utilities and/or the Liberty Utilities logo, Liberty shall comply with the following disclaimer rules in accordance with D.02-02-046:

Liberty will use the following disclaimer with respect to the Rule II.B non-regulated affiliate:

[The Rule II.B non-regulated affiliate] is not the same company as Liberty and [the Rule II.B non-regulated affiliate] is not regulated by the California Public Utilities Commission.

The Rule II.B non-regulated affiliate will use the following disclaimer with respect to Liberty:

[The Rule II.B non-regulated affiliate] is not the same company as Liberty and the California Public Utilities Commission does not regulate the terms of [the Rule II.B non-regulated affiliate] products and services.

---

<sup>21</sup> Numerous service accounts of Liberty represent second homes for customers with a primary residence outside of the Liberty service territory. Thus it is theoretically possible that a customer of Liberty Park Water or Apple Valley could own a second home within the Liberty service territory. In any event, Liberty does not believe that this theoretical possibility that it and either Liberty Park Water or Liberty Apple Valley share a customer warrant the implementation of any special rules or procedures.

**V.F.2.** *A utility, through action or words, shall not represent that, as a result of the affiliate's affiliation with the utility, its affiliates will receive any different treatment than other service providers.*

### **Procedures and Mechanisms to Promote Compliance**

Liberty has not represented, and shall not represent that, as a result of the affiliate's affiliation with Liberty, such affiliate will receive any different treatment than other service providers.

As stated previously, no affiliate of Liberty currently conducts business within the service territory of Liberty. Thus, and in any event, in providing public utility service, Liberty shall not provide preferential treatment to its affiliates or its affiliates' customers.

**V.F.3.** *A utility shall not offer or provide to its affiliates advertising space in utility billing envelopes or any other form of utility customer written communication unless it provides access to all other unaffiliated service providers on the same terms and conditions.*

### **Procedures and Mechanisms to Promote Compliance**

Liberty does not offer or provide advertising space in its billing envelopes or in any other form of customer written communication.

**V.F.4.** *A utility shall not participate in joint advertising or joint marketing with its affiliates. This prohibition means that utilities may not engage in activities which include, but are not limited to the following:*

*V.F.4.a. A utility shall not participate with its affiliates in joint sales calls, through joint call centers or otherwise, or joint proposals (including responses to requests for proposals ("RFPs")) to existing or potential customers. At a customer's unsolicited request, a utility may participate, on a nondiscriminatory basis, in non-sales meetings with its affiliates or any other market participant to discuss technical or*

*operational subjects regarding the utility's provision of transportation service to the customer;*

*V.F.4.b. Except as otherwise provided for by these Rules, a utility shall not participate in any joint activity with its affiliates. The term "joint activities" includes, but is not limited to, advertising, sales, marketing, communications and correspondence with any existing or potential customer;*

### **Procedures and Mechanisms to Promote Compliance**

Liberty has not participated in, and shall not participate, as proscribed by Rules V.F.4.a or V.F.4.b, in joint advertising or joint marketing with its affiliates.

*V.F.4.c. A utility shall not participate with its affiliates in trade shows, conferences, or other information or marketing events held in California.*

### **Procedures and Mechanisms to Promote Compliance**

Liberty construes the purpose of Rule V.F.4.c as protecting against an unregulated affiliate from unfairly leveraging its corporate affiliation with a utility to obtain an otherwise unwarranted competitive advantage. Thus, Liberty construes the restrictions in Rule V.F.4 as prohibiting a utility and any unregulated affiliate from participating in the same events. It does not construe the Rule as prohibiting *regulated* utility affiliates from each participating in and/or attending a trade show, conference, or other information or marketing events within California.

**V.F.5.** *A utility shall not share or subsidize costs, fees, or payments with its affiliates associated with research and development activities or investment in advanced technology research.*

### **Procedures and Mechanisms for to Promote Compliance**

Liberty will comply with Rule V.F.5's requirements.

### **V.G. Employees**

**V.G.1.** *Except as permitted in Rule V.E (corporate support), a utility and its affiliates shall not jointly employ the same employees. This Rule prohibiting joint employees also applies to Board Directors and corporate officers, except for the following circumstances: In instances when this Rule is applicable to holding companies, any board member or corporate officer may serve on the holding company and with either the utility or affiliate (but not both) to the extent consistent with Rule V E (corporate support). Where the utility is a multi-state utility, is not a member of a holding company structure, and assumes the corporate governance functions for the affiliates, the prohibition against any board member or corporate officer of the utility also serving as a board member or corporate officer of an affiliate shall only apply to affiliates that operate within California. In the case of shared directors and officers, a corporate officer from the utility and holding company shall describe and verify in the utility's compliance plan required by Rule VI the adequacy of the specific mechanisms and procedures in place to ensure that the utility is not utilizing shared officers and directors as a conduit to circumvent any of these Rules. In its compliance plan, the utility shall list all shared directors and officers between the utility and affiliates. No later than 30 days following a*

*change to this list, the utility shall notify the Commission's Energy Division and the parties on the service list of R.97-04-011 / I.97-04-012 of any change to this list.*

### **Procedures and Mechanisms to Promote Compliance**

The term “multi-state utility” in Rule II.H and in this Rule V.G.1 with respect to Liberty is ambiguous. Liberty has affiliates within Liberty Utilities Co. that provide regulated water, sewer, electricity, and natural gas services in 13 states. Each such regulated affiliate is “subject to the jurisdiction of [a] state regulatory” commission. However, Liberty provides electric service only to customers within its service territory within California. As such, Liberty is subject to state regulatory jurisdiction only by this Commission. Accordingly, it appears that Liberty does not technically qualify as a “multi-state utility” as defined in the context of the Affiliate Rules.

Nonetheless, Liberty requests that it should qualify as such a “multi-state utility” with respect to Rule V.G.1:

Where the utility is a multi-state utility, is not a member of a holding company structure, and assumes the corporate governance functions for the affiliates, the prohibition against any board member or corporate officer of the utility also serving as a board member or corporate officer of an affiliate shall only apply to affiliates that operate within California.

Liberty requests that it be deemed a “multi-state utility” and thus be subject to Rule V.G.1 and perhaps others of the Affiliate Rules<sup>22</sup> only with respect to “affiliates that operate in California.”

---

<sup>22</sup> As stated before, certain of the Rules have no possible relevance with respect to the out-of-state utility affiliates of Liberty. *See e.g.*, the preceding discussions of Rule III.B.2 relating to the offering of discounts to affiliates; Rule III.C relating to the tying of the provision of utility services to the procurement of goods or services from the out-of-state affiliates; Rule III.D concerning assignment of the electric customers of Liberty to out-of-state affiliates.

*See also* Rule I.H of the Affiliate Transaction Rules Applicable to Class A and B Water Utilities, which expressly exempts out-of-state utility affiliates from certain of the Affiliate Transaction Rules provided the affiliates' operations do not substantially affect the utility's in-state operations and operating costs.

Liberty makes this request on the basis that the objectives of the Affiliate Rules can be fully and most efficiently achieved by the Commission granting such relief.

Numerous of the preceding statements in this Compliance Plan evidence that the harms and risks the Affiliate Rules are intended to prevent are not at issue with respect to any of out-of-state affiliates of Liberty. Such out-of-state affiliates have no opportunity to take competitive advantage of Liberty's public utility relationship with its customers in its California service territory.

As the current businesses of the out-of-state affiliates of Liberty can neither adversely impact competition within California nor otherwise affect the state's electric consumers, no useful purpose is served by requiring Liberty to include out-of-state affiliates for purposes of complying with the Affiliate Rules. PacifiCorp advanced a similar position in Application 99-03-071 in seeking certain exemptions from the Affiliate Rules with respect to its out-of-state affiliates. The Commission granted PacifiCorp's request based on PacifiCorp's showings of an absence of any need for such Affiliate Rules with respect to out-of-state affiliates, combined with the fact that the manner in which PacifiCorp is structured, from a corporate perspective, satisfies the definition of a "multi-state utility."<sup>23</sup> Liberty accordingly requests that in future Compliance Plans, its obligation to provide such shared officer and director information be limited to affiliates operating within California.

Nonetheless, for purposes of this Compliance Plan, Liberty is providing in Attachment E a listing of the affiliates for whom its officers also serve as officers or directors. It is also providing in Attachment D a verification from an officer of Liberty and a verification from an officer and director of Liberty Utilities Co. attesting that the procedures and mechanisms described in Liberty's Affiliate Transaction Compliance Plan, specifically its procedures and mechanisms, are

---

<sup>23</sup> See D. 99-10-049, 1999 Cal. PUC LEXIS 707, at \*7, \*13-\*15 (Ordering Paragraphs 1 and 2). In contrast to the Liberty Utilities Co. structure in which each utility is a separate legal entity, PacifiCorp provides public utility service in multiple states with one legal entity and distinguishes its operations in the different states through the use of different "doing business as" names.

adequate to ensure that Liberty is not utilizing shared officers and directors as a conduit to circumvent any of the Affiliate Rules.

*V.G.2. All employee movement between a utility and its affiliates shall be consistent with the following provisions:*

*V.G.2.a. A utility shall track and report to the Commission all employee movement between the utility and affiliates. The utility shall report this information annually pursuant to our Affiliate Transaction Reporting Decision, D.93-02-016, 48 CPUC 2d 163, 171-172 and 180 (Appendix A, Section I and Section II H.).*

*V.G.2.b. Once an employee of a utility becomes an employee of an affiliate, the employee may not return to the utility for a period of one year. This Rule is inapplicable if the affiliate to which the employee transfers goes out of business during the one-year period. In the event that such employee returns to the utility, such employee cannot be retransferred, reassigned, or otherwise employed by the affiliate for a period of two years. Employees transferring from the utility to the affiliate are expressly prohibited from using information gained from the utility in a discriminatory or exclusive fashion, to the benefit of the affiliate or to the detriment of other unaffiliated service providers.*

*V.G.2.c. When an employee of a utility is transferred, assigned, or otherwise employed by the affiliate, the affiliate shall make a one-time payment to the utility in an amount equivalent to 25% of the employee's base annual compensation, unless the utility can demonstrate that some lesser percentage (equal to at least 15%) is appropriate for the class of employee included. In the limited case where a rank-and-file (non-executive) employee's position is eliminated as a result of electric industry restructuring, a utility may demonstrate that no fee or a lesser*

*percentage than 15% is appropriate. The Board of Directors must vote to classify these employees as “impacted” by electric restructuring and these employees must be transferred no later than December 31, 9998, except for the transfer of employees working at divested plants. In that instance, the Board of Directors must vote to classify these employees as “impacted” by electric restructuring and these employees must be transferred no later than within 60 days after the end of the O&M contract with the new plant owners. All such fees paid to the utility shall be accounted for in a separate memorandum account to track them for future ratemaking treatment (i.e. credited to the Electric Revenue Adjustment Accounts or the Core and Non-core Gas Fixed Cost Accounts, or other ratemaking treatment, as appropriate), on an annual basis, or as otherwise necessary to ensure that the utility’s ratepayers receive the fees. This transfer payment provision will not apply to clerical workers. Nor will it apply to the initial transfer of employees to the utility’s holding company to perform corporate support functions or to a separate affiliate performing corporate support functions, provided that the transfer is made during the initial implementation period of these rules or pursuant to a § 851 application or other Commission proceeding. However, the rule will apply to any subsequent transfers or assignments between a utility and its affiliates of all covered employees at a later time.*

*V.G.2.d. Any utility employee hired by an affiliate shall not remove or otherwise provide information to the affiliate which the affiliate would otherwise be precluded from having pursuant to these Rules.*

*V.G.2.e. A utility shall not make temporary or intermittent assignments, or rotations to its energy marketing affiliates. Utility employees not involved in marketing may be used on a temporary basis (less than 30%*

*of an employee's chargeable time in any calendar year) by affiliates not engaged in energy marketing only if:*

*V.G.2.e.i. All such use is documented, priced and reported in accordance with these Rules and existing Commission reporting requirements, except that when the affiliate obtains the services of a non-executive employee, compensation to the utility should be priced at a minimum of the greater of fully loaded cost plus 10% of direct labor cost, or fair market value. When the affiliate obtains the services of an executive employee, compensation to the utility should be priced at a minimum of the greater of fully loaded cost plus 15% of direct labor cost, or fair market value.*

*V.G.2.e.ii Utility needs for utility employees always take priority over any affiliate requests;*

*V.G.2.e.iii. No more than 5% of full time equivalent utility employees may be on loan at a given time;*

*V.G.2.e.iv. Utility employees agree, in writing, that they will abide by these Affiliate Transaction Rules; and*

*V.G.2.e.v. Affiliate use of utility employees must be conducted pursuant to a written agreement approved by appropriate utility and affiliate officers.*

### **Procedures and Mechanisms to Promote Compliance**

In February of 2018, pursuant to Commission Decision 17-09-022 (Application 15-11-009), Liberty and its parent company, Liberty Utilities Co., returned to the utility the employees and

positions that were previously transferred to Liberty Service Corp. The HR Department monitors and tracks employee transfers and will provide any required reporting pursuant to Rule V.G.

***V.H. Transfer of Goods and Services***

*To the extent that these Rules do not prohibit transfers of goods and services between a utility and its affiliates, and except for as provided by Rule V.G.2.e., all such transfers shall be subject to the following pricing provisions:*

- V.H.1.*** *Transfers from the utility to its affiliates of goods and services produced, purchased or developed for sale on the open market by the utility will be priced at fair market value.*
- V.H.2.*** *Transfers from an affiliate to the utility of goods and services produced, purchased or developed for sale on the open market by the affiliate shall be priced at no more than fair market value.*
- V.H.3.*** *For goods or services for which the price is regulated by a state or federal agency, that price shall be deemed to be the fair market value, except that in cases where more than one state commission regulated the price of goods or services, this Commission's pricing provisions govern.*
- V.H.4.*** *Goods and services produced, purchased or developed for sale on the open market by the utility will be provided to its affiliates and unaffiliated companies on a nondiscriminatory basis, except as otherwise required or permitted by these Rules or applicable law.*
- V.H.5.*** *Transfers from the utility to its affiliates of goods and services not produced, purchased or developed for sale by the utility will be priced at fully loaded cost plus 5% on fully loaded labor.*

**V.H.6.** *Transfers from an affiliate to the utility of goods and services not produced, purchased or developed for sale by the affiliate will be priced at the lower of fully loaded cost or fair market value.*

### **Procedures and Mechanisms to Promote Compliance**

Liberty provides no electric utility services to any of its affiliates. Liberty interprets the services aspect of Rule V.H not to apply to shared services as separate Affiliate Rules govern the provision of those services. As stated previously, Liberty and its affiliates comply with the Affiliate Rules governing the allocation of costs associated with the provision of shared services.<sup>24</sup>

The other focus of Rule V.H — transfer of goods — is generally not applicable. Liberty does not as a common practice engage in transactions involving goods or electric supply with any of its affiliates and thus the relevant provisions of Rule V.H are for the most part inapplicable.

In 2025, there was one transactions with a utility affiliate.

As also previously explained, starting in early 2017, Liberty began obtaining solar power from the Luning Solar Project through a series of commercial arrangements in which a new Rule II.B Affiliate will also be a participant.<sup>25</sup> In approving the affiliate transactions associated with, and integral to, the Luning Solar Project and the Turquoise Solar Project the Commission also imposed certain reporting and other requirements.<sup>26</sup> Liberty will comply with affiliate transaction and all other requirements set forth in the Luning and Turquoise Approval Decisions.

## **VI. REGULATORY OVERSIGHT**

### **VI.A. Compliance Plans**

---

<sup>24</sup> See *supra*, at 28–29, 34.

<sup>25</sup> See *supra* at 18–19.

<sup>26</sup> See Luning Approval Decision, at 43–44 (Ordering Paragraph 1). See also *supra* at 4, n.8, 18.

*No later than December 31, 1997, each utility shall file a compliance plan demonstrating to the Commission compliance that there are adequate procedures in place that will preclude the sharing of information with its affiliates that is prohibited by these Rules. The utility should file its compliance plan as an advice letter with the Commission's Energy Division and serve it on the parties to this proceeding. The utility's compliance plan shall be in effect between the filing and a Commission determination of the advice letter. A utility shall file a compliance plan annually thereafter by advice letter where there is some change in the compliance plan (i.e., when a new affiliate has been created, or the utility has changed the compliance plan for any other reason).*

### **Procedures and Mechanisms for Ensuring Compliance**

This Compliance Plan represents Liberty's compliance with Rule VI.A. Attachment C to this Compliance Plan provides a listing each entity which was a Rule II.B Affiliate of Liberty at any time up to the date of this filing.

#### ***VI.B. New Affiliate Compliance Plans***

*Upon the creation of a new affiliate, the utility shall immediately notify the Commission of the creation of the new affiliate, as well as posting notice on its electronic bulletin board. No later than 60 days after the creation of this affiliate, the utility shall file an advice letter with the Energy Division of the Commission, served on the parties to this proceeding. The advice letter shall demonstrate how the utility will implement these Rules with respect to the new affiliate.*

### **Procedures and Mechanisms to Promote Compliance**

Liberty shall comply fully with Rule VI.B with respect to the creation of any new affiliate who is: (i) a public utility and a Rule II.B Affiliate of Liberty; (ii) a public utility located within California and thus subject to regulation by this Commission; or (iii) an unregulated Rule II.B Affiliate who intends to offer to sell electric-related goods or services within the Liberty service territory or anywhere within California.

With respect to the creation of any such new affiliate described in the first paragraph, Liberty will timely notify the Commission of its creation. With respect to any such new affiliate, Liberty will additionally submit an advice letter within 60 calendar days of the Rule II.B affiliate providing operations or service in California providing the information required by Rule VI.B, including the new affiliate's business description and designate the affiliate contact personnel.

With respect to any new Rule II.B Affiliate which is not encompassed by the criteria set forth in the first paragraph above, Liberty commits to advise the Commission to the extent otherwise necessary and required by the Affiliate Rules of the existence of such new Rule II.B Affiliate in its annual Affiliate Transaction Compliance Plan. Liberty believes that such an annual update of Rule II.B Affiliates fully achieves the objectives of this Rule V.B. For instance, the creation of a new Liberty affiliate whose business purpose is to participate in the development of a hydroelectric project within a province in eastern Canada raises no immediate issue or risk relating to the cost and quality of the public utility service that Liberty provides its customers.

Moreover, imposition of the "immediately notify" rule is first infeasible. For purposes of providing its customers utility service, Liberty has no business reason to obtain immediate knowledge of the creation of each new affiliate created to engage in some aspect of the electric business and thus there is currently no corporate mechanism providing Liberty the information necessary to enable it to provide such immediate notification. Creating the necessary communication channels to ensure such absolute immediate notification would necessarily increase costs but provide no perceived benefit or protection to the electric customers of Liberty.

Rule VI.B would additionally require the immediate sharing of information between APCo and Liberty, which information is purposely not currently shared. From the perspective of promoting the best policies and practices with respect to affiliate transactions, the sharing of information between regulated and unregulated entities within a corporate family should be generally discouraged, and not *per se* required, particularly when no purpose is articulated to justify the otherwise disfavored sharing of information between the regulated and unregulated sectors of an entity.

To the extent that Liberty's above commitment to comply with Rule VI.B requires a waiver or exemption from the Affiliate Rules, Liberty requests that such a waiver or exemption be granted for the grounds stated.

**VI.C. *Affiliate Audit***

*No later than December 31, 1998, and every year thereafter, the utility shall have audits performed by independent auditors that cover the calendar year which ends on December 31, and that verify that the utility is in compliance with the Rules set forth herein. The utilities shall file the independent auditor's report with the Commission's Energy Division beginning no later than May 1, 1999, and serve it on all parties to this proceeding. The audits shall be at shareholder expense.*

**Procedures and Mechanisms to Promote Compliance**

Liberty will comply with Rule VI.C's requirements. The 2025 independent auditor's report was completed and received by Liberty but was not submitted to the Commission's Energy Division in 2025. Liberty will submit the 2025 and 2026 independent auditor reports in 2026. The audits shall be at shareholder expense.

**VI.D. *Witness Availability***

*Affiliate officers and employees shall be made available to testify before the Commission as necessary or required, without subpoena, consistent with the provisions of Public Utilities Code Section 314.*

**Procedures and Mechanisms to Promote Compliance**

Liberty and its affiliates will comply with California Public Utilities Code Section 314.

**VII. UTILITY PRODUCTS AND SERVICES**

**VII.A. *General Rule***

*Except as provided for in these Rules, new products and services shall be offered through affiliates.*

## **VII.B. Definitions**

*The following definitions apply for the purposes of this section (Section Rule VII) of these rules:*

**VII.B.1.** *“Category” refers to a factually similar group of products and services that use the same type of utility assets or capacity. For example, “leases of land under utility transmission lines” or “use of a utility repair shop for third party equipment repair” would each constitute a separate product or service category.*

**VII.B.2** *“Existing” products and services are those which a utility is offering on the effective date of these Rules.*

**VII.B.3** *“Products” include use of property, both real and intellectual, other than those uses authorized under General Order 69-C.*

**VII.B.4** *“Tariff” or “tariffed” refers to rates, terms and conditions of services as approved by this Commission or the Federal Energy Regulatory Commission (FERC), whether by traditional tariff, approved contract or other such approval process as the Commission or the FERC may deem appropriate.*

## **VII.C. Utility Products and Services**

*Except as provided in these Rules, a utility shall not offer nontariffed products and services. In no event shall a utility offer natural gas or electricity commodity service on a nontariffed basis. A utility may only offer for sale the following products and services:*

**VII.C.1.** *Existing products and services offered by the utility pursuant to tariff;*

**VII.C.2.** *Unbundled versions of existing utility products and services, with the unbundled versions being offered on a tariffed basis;*

- VII.C.3. New products and services that are offered on a tariffed basis; and*
- VII.C.4. Products and services which are offered on a nontariffed basis and which meet the following conditions:*
- VII.C.4.a. The nontariffed product or service utilizes a portion of a utility asset or capacity;*
- VII.C.4.b. such asset or capacity has been acquired for the purpose of and is necessary and useful in providing tariffed utility services;*
- VII.C.4.c. the involved portion of such asset or capacity may be used to offer the product or service on a nontariffed basis without adversely affecting the cost, quality or reliability of tariffed utility products and services;*
- VII.C.4.d. the products and services can be marketed with minimal or no incremental ratepayer capital, minimal or no new forms of liability or business risk being incurred by utility ratepayers, and no undue diversion of utility management attention; and*
- VII.C.4.e. the utility's offering of such nontariffed product or service does not violate any law, regulation, or Commission policy regarding anticompetitive practices.*

## **Procedures and Mechanisms to Promote Compliance**

Liberty as an electric utility will limit its operations within California to the provision of tariffed utility services in its franchised service territory. Liberty as an electric utility will not offer any non-tariffed services in California.

Liberty is a party to certain arrangements which allow certain entities to hang wires or attach fixtures and other appurtenances on its distribution facilities. Liberty records the revenues obtained through these arrangements in its Account 454 and these revenues are thus reflected and credited to the benefit of its electric customers in its rate cases. Liberty engages in several, but small, wholesale electric sales which are subject to the jurisdiction of the FERC; revenues from these FERC-jurisdictional sale transactions are recorded in Account 447 and are similarly accounted for in rate cases as credits against Liberty's revenue requirement.

In the event an affiliate was to propose to engage in the retail sale of energy or energy-related products or services in California,<sup>27</sup> Liberty shall:

1. Immediately notify the Commission of such activities and post a notice on its electronic bulletin board; and
2. Within 60 days after the commencement of such activities, submit an advice letter to the Energy Division including a compliance plan that demonstrates the safeguards and other protections Liberty will implement to ensure compliance with the Affiliate Rules with respect to any such affiliate.

## ***VII.D. Conditions Precedent to Offering New Products and Services***

---

<sup>27</sup> Liberty construes this requirement to be only applicable to an affiliate engaged in the mass marketing of retail electric services to specific customer classes and/ or within designated geographic areas. It does not construe these requirements to be applicable to the type of essentially "one-off" retail sales allowed in special and limited circumstances by Public Utilities Code Section 218(b).

*This Rule does not represent an endorsement by the Commission of any particular nontariffed utility product or service. A utility may offer new nontariffed products and services only if the Commission has adopted and the utility has established:*

***VII.D.1.*** *A mechanism or accounting standard for allocating costs to each new product or service to prevent cross-subsidization between services a utility would continue to provide on a tariffed basis and those it would provide on a nontariffed basis;*

***VII.D.2.*** *A reasonable mechanism for treatment of benefits and revenues derived from offering such products and services, except that in the event the Commission has already approved a performance-based ratemaking mechanism for the utility and the utility seeks a different sharing mechanism, the utility should petition to modify the performance-based ratemaking decision if it wishes to alter the sharing mechanism, or clearly justify why this procedure is inappropriate, rather than doing so by application or other vehicle.*

***VII.D.3.*** *Periodic reporting requirements regarding pertinent information related to nontariffed products and services; and*

***VII.D.4.*** *Periodic auditing of the costs allocated to and the revenues derived from nontariffed products and services.*

***VII.E. Requirement to File an Advice Letter***

*Prior to offering a new category of nontariffed products or services as set forth in Rule VII.C above, a utility shall file an advice letter in compliance with the following provisions of this paragraph.*

***VII.E.1.*** *The advice letter shall:*

***VII.E.1.a.*** *demonstrate compliance with these rules;*

*VII.E.1.b. address the amount of utility assets dedicated to the non-utility venture, in order to ensure that a given product or service does not threaten the provision of utility service, and show that the new product or service will not result in a degradation of cost, quality, or reliability of tariffed goods and services;*

*VII.E.1.c.demonstrate that the utility has not received competition transition charge (CTC) recovery in the Transition Cost Proceeding, A.96-08-001, or other related CTC Commission proceeding, for the portion of the utility asset dedicated to the non-utility venture; and*

*VII.E.1.d. address the potential impact of the new product or service on competition in the relevant market, including but not limited to the degree in which the relevant market is already competitive in nature and the degree to which the new category of products or services is projected to affect that market.*

*VII.E.1.e.be served on the service list of Rulemaking 97-04-011/Investigation 97-04-012, as well as on any other party appropriately designated by the rules governing the Commission's advice letter process.*

***VII.E.2.*** *For categories of nontariffed products or services targeted and offered to less than 1% of the number of customers in the utility's customer base, in the absence of a protest alleging non-compliance with these Rules or any law, regulation, decision, or Commission policy, or allegations of harm, the utility may commence offering the product or service 30 days after submission of the advice letter. For categories of nontariffed products or services targeted and offered to 1% or more of the number of customers in the utility's customer base, the utility may commence offering the product or service after the Commission approves the advice letter through the normal advice letter process.*

**VII.E.3.** *A protest of an advice letter filed in accordance with this paragraph shall include:*

**VII.E.3.a.** *An explanation of the specific Rules, or any law, regulation, decision, or Commission policy the utility will allegedly violate by offering the proposed product or service, with reasonable factual detail; or*

**VII.E.3.b.** *An explanation of the specific harm the protestant will allegedly suffer.*

**VII.E.4.** *If such a protest is filed, the utility may file a motion to dismiss the protest within 5 working days if it believes the protestant has failed to provide the minimum grounds for protest required above. The protestant has 5 working days to respond to the motion.*

**VII.E.5.** *The intention of the Commission is to make its best reasonable efforts to rule on such a motion to dismiss promptly. Absent a ruling granting a motion to dismiss, the utility shall begin offering that category of products and services only after Commission approval through the normal advice letter process.*

### **Procedures and Mechanisms to Promote Compliance**

As set forth above, the only non-tariff services that Liberty provides are allowing access to its poles to certain communication providers and selling a limited amount of energy at wholesale. The revenues for these activities are fully disclosed and accounted for in Liberty's rate proceedings.

If Liberty considers offering a new category of non-tariffed product and services, it will file an advice letter with the provisions described in Rule VII.E.

### **VII.F. Existing Offerings**

*Unless and until further Commission order to the contrary as a result of the advice letter filing or otherwise, a utility that is offering tariffed or nontariffed products and services, as of the effective date of this decision, may continue to offer such products and services, provided that the utility complies with the cost allocation and reporting requirements in this rule. No later than January 30, 1998, each utility shall submit an advice letter describing the existing products and services (both tariffed and nontariffed) currently being offered by the utility and the number of the Commission decision or advice letter approving this offering, if any, and requesting authorization or continuing authorization for the utility's continued provision of this product or service in compliance with the criteria set forth in Rule VII. This requirement applies to both existing products and services explicitly approved and not explicitly approved by the Commission.*

### **Procedures and Mechanisms to Promote Compliance**

As required by Rule VII.F, Sierra Pacific Power Company ("Sierra Pacific"), the prior utility serving the Liberty's service territory, submitted Advice Letter No. 259-E dated February 2, 1998 describing the existing products and services as of January 30, 1998. Sierra Pacific updated the Compliance Plan by Advice Letter 259-E-A on March 15, 2000, which was approved by the CPUC on April 21, 2004.

### ***VII.G. Section 851 Application***

*A utility must continue to comply fully with the provisions of Public Utilities Code Section 851 when necessary or useful utility property is sold, leased, assigned, mortgaged, disposed of, or otherwise encumbered as part of a nontariffed product or service offering by the utility. If an application pursuant to Section 851 is submitted, the utility need not file a separate advice letter, but shall include in the application those items which would otherwise appear in the advice letter as required in this Rule.*

### **Procedures and Mechanisms to Promote Compliance**

Liberty will file Public Utilities Code Section 851 applications in accordance with the statutory requirements and Commission precedents and policies.

### ***VII.H. Periodic Reporting of Nontariffed Products and Services***

*Any utility offering nontariffed products and services shall file periodic reports with the Commission's Energy Division twice annually for the first two years following the effective date of these Rules, then annually thereafter unless otherwise directed by the Commission. The utility shall serve periodic reports on the service list of this proceeding. The periodic reports shall contain the following information:*

***VII.H.1.*** *A description of each existing or new category of nontariffed products and services and the authority under which it is offered;*

***VII.H.2.*** *A description of the types and quantities of products and services contained within each category (so that, for example, "leases for agricultural nurseries at 15 sites" might be listed under the category "leases of land under utility transmission lines," although the utility would not be required to provide the details regarding each individual lease);*

***VII.H.3.*** *The costs allocated to and revenues derived from each category; and*

*VII.H.4. Current information on the proportion of relevant utility assets used to offer each category of product and service.*

#### **Procedures and Mechanisms to Promote Compliance**

As set forth above, Liberty fully discloses and accounts for in its rate applications filed with this Commission the revenues it receives from its provision of non-tariffed services.<sup>28</sup>

#### **VII.I. Offering of Nontariffed Products and Services to Affiliates**

*Nontariffed products and services which are allowed by this Rule may be offered to utility affiliates only in compliance with all other provisions of these Affiliate Rules. Similarly, this Rule does not prohibit affiliate transactions which are otherwise allowed by all other provisions of these Affiliate Rules.*

#### **Procedures and Mechanisms to Promote Compliance**

No affiliate of Liberty is currently offering or is receiving either of the non-tariff services that Liberty provides.

### **VIII. COMPLAINT PROCEDURES AND REMEDIES**

#### **VIII.A. The Commission Shall Strictly Enforce These Rules**

*Each act or failure to act by a utility in violation of these rules may be considered a separate occurrence.*

#### **VIII.B. Standing**

*VIII.B.1. Any person or corporation as defined in Sections 204, 205, and 206 of the California Public Utilities Code may complain to the Commission or to a utility in writing, setting forth any act or thing done or omitted to be done by*

---

<sup>28</sup> See *supra* at 54, 58.

*any utility or affiliate in violation or claimed violation of any rule set forth in this document.*

**VIII.B.2.** *“Whistleblower complaints” will be accepted and the confidentiality of complainant will be maintained until conclusion of an investigation or indefinitely, if so requested by the whistleblower. When a whistleblower requests anonymity, the Commission will continue to pursue the complaint only where it has elected to convert it into a Commission-initiated investigation. Regardless of the complainant’s status, the defendant shall file a timely answer to the complaint.*

### **VIII.C. Procedure**

**VIII.C.1.** *All complaints shall be filed as formal complaints with the Commission and complainants shall provide a copy to the utility’s designated officer (as described below) on the same day that the complaint is filed.*

### **Procedures and Mechanisms to Promote Compliance**

No specific compliance action is required under Rules VIII.A through VIII.C.1.

**VIII.C.2.** *Each utility shall designate an Affiliate Compliance Manager who is responsible for compliance with these affiliate rules and the utility’s compliance plan adopted pursuant to these rules. Such officer shall also be responsible for receiving, investigating, and attempting to resolve complaints. The Affiliate Compliance Manager may, however, delegate responsibilities to other officers and employees.*

**VIII.C.2.a.** *The utility shall investigate and attempt to resolve the complaint. The resolution process shall include a meet-and-confer session with the complainant. A Commission staff member may, upon request by the utility or the complainant, participate in such meet-*

*and-confer sessions and shall participate in the case of a whistleblower complaint.*

*A party filing a complaint may seek a temporary restraining order at the time the formal complaint is filed. The defendant utility and other interested parties may file responses to a request for a temporary restraining order within 10 days of the filing of the request. An assigned commissioner or administrative law judge may shorten the period for responses, where appropriate. An assigned commissioner or administrative law judge, or the Commission shall act on the request for a temporary restraining order within 30 days. The request may be granted when: (1) the moving party is reasonably likely to prevail on the merits, and (2) a temporary restraining order relief is necessary to avoid irreparable injury, will not substantially harm other parties, and is consistent with the public interest.*

*A notice of temporary restraining order issued by an assigned commissioner or administrative law judge will only stay in effect until the end of the day of the next regularly-scheduled Commission meeting at which the Commission can issue a temporary restraining order or a preliminary injunction. If the Commission declines to issue a temporary restraining order or a preliminary injunction, the notice of temporary restraining order will be immediately lifted. Whether or not a temporary restraining order or a preliminary injunction is issued, the underlying complaint may still move forward.*

*VIII.C.2.b. The utility shall prepare and preserve a report on each complaint, all relevant dates, companies, customers and employees involved, and if applicable, the resolution reached, the date of the*

*resolution and any actions taken to prevent further violations from occurring. The report shall be provided to the Commission and all parties within four weeks of the date the complaint was filed. In addition, to providing hard copies, the utility shall also provide electronic copies to the Commission and to any party providing an e-mail address.*

*VIII.C.2.c. Each utility shall file annually with the Commission a report detailing the nature and status of all complaints.*

*VIII.C.2.d. The Commission may, notwithstanding any resolution reached by the utility and the complainant, convert a complaint to an investigation and determine whether the utility violated these rules, and impose any appropriate penalties under Section VIII.D or any other remedies provided by the Commission's rules or the Public Utilities Code.*

**VIII.C.3.** *The utility will inform the Commission's Energy Division and Consumer Services Division of the results of this dispute resolution process. If the dispute is resolved, the utility shall inform the Commission staff of the actions taken to resolve the complaint and the date the complaint was resolved.*

**VIII.C.4.** *If the utility and the complainant cannot reach a resolution of the complaint, the utility will so inform the Commission's Energy Division. It will also file an answer to the complaint within 30 days of the issuance by the Commission's Docket Office of instructions to answer the original complaint. Within 10 business days of notice of failure to resolve the complaint, Energy Division staff will meet and confer with the utility and the complainant and propose actions to resolve the complaint. Under the circumstances where the complainant and the utility cannot resolve the complaint, the Commission*

*shall strive to resolve the complaint within 180 days of the date the instructions to answer are served on the utility.*

### **Procedures and Mechanisms to Promote Compliance**

The APUC Legal and Compliance Departments, working jointly with representatives of the management of Liberty, are responsible for receiving, investigating, and attempting to resolve complaints arising under or associated with the Affiliate Rules and otherwise with discharging Liberty's responsibilities under Rules VIII.C.2.a through Rule VIII.C.4.

*VIII.C.5. The Commission shall maintain on its Web site a public log of all new, pending and resolved complaints. The Commission shall update the log at least once every week. The log shall specify, at a minimum, the date the complaint was received, the specific allegations contained in the complaint, the date the complaint was resolved and the manner in which it was resolved, and a description of any similar complaints, including the resolution of such similar complaints.*

### **Procedures and Mechanisms to Promote Compliance**

No additional compliance action by Liberty is required.

#### *VIII.C.6. Preliminary Discussions*

*VIII.C.6.a. Prior to filing a formal complaint, a potential complainant may contact the responsible utility officer and/or the Energy Division to inform them of the possible violation of the affiliate rules. If the potential complainant seeks an informal meeting with the utility to discuss the complaint, the utility shall make reasonable efforts to arrange such a meeting. Upon mutual agreement, Energy Division staff and interested parties may attend any such meeting.*

*VIII.C.6.b. If a potential complainant makes an informal contact with a utility regarding an alleged violation of the affiliate transaction rules, the utility officer in charge of affiliate compliance shall respond in writing to the potential complainant within 15 business days. The response would state whether or not the issues raised by the potential complainant require further investigation. (The potential complainant does not have to rely on the responses in deciding whether to file a formal complaint.)*

### **Procedures and Mechanisms to Promote Compliance**

If a potential complainant seeks an informal meeting to discuss the complaint, Liberty will make reasonable efforts to arrange such meeting. If informal contact with Liberty is made by a potential complainant, Liberty will respond in writing within 15 business days.

### ***VIII.D. Remedies***

*VIII.D.1. When enforcing these rules or any order of the Commission regarding these rules, the Commission may do any or all of the following:*

*VIII.D.1.a. Order a utility to stop doing something that violates these rules;*

*VIII.D.1.b. Prospectively limit or restrict the amount, percentage, or value of transactions entered into between the utility and its affiliate(s);*

*VIII.D.1.c. Assess fines or other penalties;*

*VIII.D.1.d. Prohibit the utility from allowing its affiliate(s) to utilize the name and logo of the utility, either on a temporary or a permanent basis;*

*VIII.D.1.e. Apply any other remedy available to the Commission.*

**VIII.D.2.** *Any public utility which violates a provision of these rules is subject to a fine of not less than five hundred dollars (\$500), nor more than \$20,000 for each offense. The remainder of this subsection distills the principles that the Commission has historically relied upon in assessing fines and restates them in a manner that will form the analytical foundation for future decisions in which fines are assessed. Before discussing those principles, reparations are distinguished.*

*VIII.D.2.a. Reparations are not fines and conceptually should not be included in setting the amount of a fine. Reparations are refunds of excessive or discriminatory amounts collected by a public utility. PU Code §734. The purpose is to return funds to the victim which were unlawfully collected by the public utility. Accordingly, the statute requires that all reparation amounts are paid to the victims. Unclaimed reparations generally escheat to the state, Code of Civil Procedure §1519.5, unless equitable or other authority directs otherwise, e.g., Public Utilities Code §394.9.*

*VIII.D.2.b. The purpose of a fine is to go beyond restitution to the victim and to effectively deter further violations by this perpetrator or others. For this reason, fines are paid to the State of California, rather than to victims.*

*Effective deterrence creates an incentive for public utilities to avoid violations. Deterrence is particularly important against violations which could result in public harm, and particularly against those where severe consequences could result. To capture these ideas, the two general factors used by the*

*Commission in setting fines are: (1) severity of the offense and (2) conduct of the utility. These help guide the Commission in setting fines which are proportionate to the violation.*

*VIII.D.2.b.i. The severity of the offense includes several considerations. Economic harm reflects the amount of expense which was imposed upon the victims, as well as any unlawful benefits gained by the public utility. Generally, the greater of these two amounts will be used in establishing the fine. In comparison, violations which caused actual physical harm to people or property are generally considered the most severe, with violations that threatened such harm closely following.*

*The fact that the economic harm may be difficult to quantify does not itself diminish the severity or the need for sanctions. For example, the Commission has recognized that deprivation of choice of service providers, while not necessarily imposing quantifiable economic harm, diminishes the competitive marketplace such that some form of sanction is warranted.*

*Many potential penalty cases before the Commission do not involve any harm to consumers but are instead violations of reporting or compliance requirements. In these cases, the harm may not be to consumers but rather to the integrity of the regulatory processes. For example,*

*compliance with Commission directives is required of all California Public Utilities:*

*“Every public utility shall obey and comply with every order, decision, direction, or rule made or prescribed by the Commission in the matters specified in this part, or any other matter in any way relating to or affecting its business as a public utility, and shall do everything necessary or proper to secure compliance therewith by all of its officers, agents, and employees.” Public Utilities Code § 702.*

*Such compliance is absolutely necessary to the proper functioning of the regulatory process. For this reason, disregarding a statutory or Commission directive, regardless of the effects on the public, will be accorded a high level of severity.*

*The number of the violations is a factor in determining the severity. A series of temporally distinct violations can suggest an on-going compliance deficiency which the public utility should have addressed after the first instance. Similarly, a widespread violation which affects a large number of consumers is a more severe offense than one which is limited in scope. For a “continuing offense,” PU Code § 2108 counts each day as a separate offense.*

## **Procedures and Mechanisms to Promote Compliance**

No specific compliance action is required for Rules VIII.D.1 through VIII.D.2.b.i.

*VIII.D.2.b.ii. This factor recognizes the important role of the public utility's conduct in (1) preventing the violation, (2) detecting the violation, and (3) disclosing and rectifying the violation. The public utility is responsible for the acts of all its officers, agents, and employees:*

*“In construing and enforcing the provisions of this part relating to penalties, the act, omission, or failure of any officer, agent or employee of any public utility, acting within the scope of his [or her] official duties or employment, shall in every case be the act, omission, or failure of such public utility.”  
Public Utilities Code §2109.*

*VIII.D.2.b.ii.(1) Prior to a violation occurring, prudent practice requires that all public utilities take reasonable steps to ensure compliance with Commission directives. This includes becoming familiar with applicable laws and regulations, and most critically, the utility regularly reviewing its own operations to ensure full compliance. In evaluating the utility's advance efforts to ensure compliance, the Commission will consider the utility's past record of compliance with Commission directives.*

*VIII.D.2.b.ii.(2) The Commission expects public utilities to monitor diligently their activities. Where utilities have for whatever reason failed to meet this standard, the Commission will continue to hold the utility responsible for its actions. Deliberate as opposed to inadvertent wrong-doing will be considered an aggravating factor. The Commission will also look at the management's conduct during the period in which the violation occurred to ascertain particularly the level and extent of involvement in or tolerance of the offense by management personnel. The Commission will closely scrutinize any attempts by management to attribute wrong-doing to rogue employees. Managers will be considered, absent clear evidence to the contrary, to have condoned day-to-day actions by employees and agents under their supervision.*

*VIII.D.2.b.ii.(3) When a public utility is aware that a violation has occurred, the Commission expects the public utility to promptly bring it to the attention of the Commission. The precise timetable that constitutes "prompt" will vary based on the nature of the violation. Violations which physically endanger the public must be immediately corrected and thereafter reported to the*

*Commission staff. Reporting violations should be remedied at the earliest administratively feasible time. Prompt reporting of violations furthers the public interest by allowing for expeditious correction. For this reason, steps taken by a public utility to promptly and cooperatively report and correct violations may be considered in assessing any penalty.*

### **Procedures and Mechanisms to Promote Compliance**

With respect to any question or concern relating to the Affiliate Rules, or Liberty's compliance with the Affiliate Rules, employees have been instructed to raise them with members of the senior management of Liberty and/or with lawyers for Liberty Utilities Co. and APUC. The APUC Code of Conduct also provides instructions for the raising of any whistleblower concerns or claims.

Liberty conducts a formal training on the purpose of and rules for compliance with the Affiliate Rules each year.

*VIII.D.2.b.iii. Effective deterrence also requires that the Commission recognize the financial resources of the public utility in setting a fine which balances the need for deterrence with the constitutional limitations on excessive fines. Some California utilities are among the largest corporations in the United States and others are extremely modest, one- person operations. What is accounting rounding error to one company is annual revenue to another. The Commission*

*intends to adjust fine levels to achieve the objective of deterrence, without becoming excessive, based on each utility's financial resources.*

*VIII.D.2.b.iv. Setting a fine at a level which effectively deters further unlawful conduct by the subject utility and others requires that the Commission specifically tailor the package of sanctions, including any fine, to the unique facts of the case. The Commission will review facts which tend to mitigate the degree of wrongdoing as well as any facts which exacerbate the wrongdoing. In all cases, the harm will be evaluated from the perspective of the public interest.*

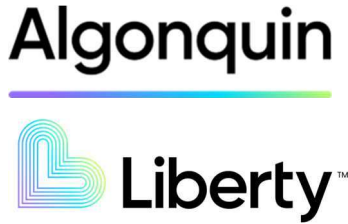
*VIII.D.2.b.v. The Commission adjudicates a wide range of cases which involve sanctions, many of which are cases of first impression. As such, the outcomes of cases are not usually directly comparable. In future decisions which impose sanctions the parties and, in turn, the Commission will be expected to explicitly address those previously issued decisions which involve the most reasonably comparable factual circumstances and explain any substantial differences in outcome.*

## **Procedures and Mechanisms to Promote Compliance**

No specific compliance action is required for Rules VIII.D.2.b.iii through VIII.D.2.b.v

**Attachment A**

**Algonquin Power & Utilities Corp. Code of Business Conduct and Ethics, Ethics Reporting Policy, Insider Trading Policy, Disclosure Policy, and Privacy Policy**



Name	Version No.
Code of Business Conduct and Ethics	1.0
Doc No.	
100-600-100-001	
Owner	
Theresa Pettos, VP, Human Resources	
Approver	Last approval date
Board of Directors	03/06/2025

## Code of Business Conduct and Ethics

### 1. INTRODUCTION

This code of business conduct and ethics (the “**Code**”) has been approved by the board of directors (the “**Board**”) of Algonquin Power & Utilities Corp. (the “**Corporation**”) to assist all directors, trustees, officers, employees, agents and contractors (collectively, the “**Algonquin Representatives**”) of the Corporation and each of its subsidiary entities (collectively, “**Algonquin**”) to maintain high standards of ethical conduct in the affairs of Algonquin, including the affairs of any Algonquin joint venture or similar type of business arrangement.

**Administration:** The Board oversees this Code, while the Ethics Officer manages daily administration. Please direct any questions about this Code to the Ethics Officer (contact details in Schedule A). Supervisors and managers are responsible for assisting their employees to understand and comply with this Code.

**Algonquin Policies:** The Corporation maintains a range of policies, handbooks, principles and guidelines that provide comprehensive coverage of many topics addressed in this Code and are expected to be adhered to in their entirety.

**Conflicts:** If laws or other policies conflict with this Code, consult the Ethics Officer before acting.

**Waivers:** Waivers of this Code are rare and require Board approval. Any waivers granted will be disclosed in accordance with the Corporation’s *Disclosure Policy* and applicable law.

### 2. COMPLIANCE WITH LAWS AND ENFORCEMENT

It is Algonquin’s policy to comply with all applicable laws, and this code is intended to comply with applicable legal requirements.

Algonquin Representatives must not violate any laws or direct another Algonquin Representative to do so on behalf of Algonquin. Additionally, business should always be conducted in a way that



would not result in reputational or business damage for Algonquin, even if the conduct becomes public. ***Any dishonest, unethical or illegal behavior is a violation of this Code.***

This Code provides helpful guidelines but may not cover every situation. If any Algonquin Representative has questions concerning a specific situation, they should contact the Ethics Officer before taking any action.

**Enforcement:** The Corporation will take appropriate disciplinary action, up to and including termination, along with preventive or other actions as it deems appropriate to deal with existing or potential Code violations. Further, violation of laws may result in criminal or civil liability for Algonquin and can also lead to personal liability for Algonquin Representatives. Algonquin Representatives must report any potential or actual violations in accordance with the section "Reporting of Violations Procedure" below.

### **3. CONFLICTS OF INTEREST**

#### **(a) General**

Algonquin Representatives are expected to make or participate in business decisions and actions based on the best interests of Algonquin and not based on personal relationships or benefits. A conflict of interest can occur or appear to occur in a wide variety of situations. In general, a conflict of interest occurs when the personal interest of an Algonquin Representative, an immediate family member of an Algonquin Representative, or a person with whom an Algonquin Representative has a close personal relationship interferes with, or has the potential to interfere with, the interests or business of Algonquin.

#### **(b) Common Areas in which Conflicts Arise**

The following are common areas that raise conflict of interest issues. However, a conflict of interest can occur in a variety of situations. Algonquin Representatives must be alert to recognize any situation that may raise conflict of interest issues and must disclose to the Ethics Officer any material transaction or relationship (including a business, personal or family relationship) that could reasonably be expected to result in actual, potential, or apparent conflicts of interest with Algonquin.

##### **i. Outside Activities/Employment**



**Algonquin Representatives must not:**

- participate in any outside activity that takes away from the time and attention they devote to their duties for Algonquin or that adversely affects the quality or quantity of their work;
- imply Algonquin's sponsorship or support of any outside activity that is not official Algonquin business;
- take for themselves or their family members business opportunities that are discovered or made available by virtue of their positions at Algonquin; or
- run for, hold or accept any elected office or political appointment without complying with the requirements of the *Political Participation Policy*.

**Algonquin employees must not:**

- take part in any outside employment or directorships without the prior written approval of the Ethics Officer (except for minor and unrelated employment and for directorships on charitable boards that, in each case, do not interfere with the employee's duties to Algonquin);
- perform services for or have a material financial interest in any entity that is, or to such individual's knowledge may become, a customer, supplier or competitor of Algonquin; or
- acquire securities of a customer, supplier or other party if ownership of the securities would be likely to adversely affect the individual's ability to exercise independent judgement on behalf of Algonquin or the quality of their work.

**ii. Civic/Political Activities**

Algonquin Representatives may participate in civic, charitable or political activities so long as such participation does not encroach on the time and attention they are expected to devote to their Algonquin-related duties. Such activities are to be conducted in a manner that does not create an appearance of Algonquin's involvement or endorsement.

**(c) Exceptions**

Transactions between related parties, as defined by applicable securities regulations, will not be conflicts of interest under this Code if they are reviewed and approved in compliance with those regulations. Similarly, transactions or activities involving Algonquin directors, officers, or employees will not be considered conflicts of interest if they have been properly approved by the



Board.

#### **4. BRIBERY AND OTHER IMPROPER PAYMENTS**

##### **(a) General**

Algonquin strictly prohibits bribery in all forms and requires all Algonquin Representatives to comply with all applicable anti-bribery and anti-corruption laws and Algonquin's *Anti-Bribery and Anti-Corruption Policy*.

##### **(b) Dealings with Government and Public Officials**

Algonquin strictly prohibits directly or indirectly offering, providing, or receiving any improper payment or anything of value, whether monetary or non-monetary, to or from any public official.

##### **(c) Political and Charitable Contributions**

Algonquin prohibits corporate contributions to federal, state, provincial or local candidates for public office or to political parties or committees.

Algonquin Representatives may make personal political and charitable contributions in accordance with section 3(b)(ii) of this Code and the *Political Participation Policy*.

##### **(d) Gifts and Business Courtesies**

Algonquin prohibits any payment that violates the laws of any jurisdiction in which Algonquin operates. Algonquin strictly prohibits any person from giving, offering, promising, demanding, soliciting or receiving, directly or indirectly, anything of value, including a gift or other business courtesy, using corporate or personal funds, while representing Algonquin or in the course of conducting Algonquin business. Any offer of or request for such a gift or other business courtesy must be reported to the Ethics Officer. Business courtesies include but not limited to: gifts; meals; entertainment; travel; business opportunities; discounted or free products or services (including gift cards); employment opportunities; loans; cash and per diems.

##### **Exceptions:**

Some gifts and expenses are allowed:



- small, lawful gifts to people that are not government/public officials (as long as they are not for the express purpose of obtaining or retaining business or some other advantage for Algonquin);
- standard, lawful business expenses for meals and travel for people that are not government/public officials; or
- lawful payments for public officials' reasonable expenses related to business activities. Caution should be exercised and, if there is any doubt, you should check with the Ethics Officer first.

## **5. INSIDER TRADING AND TIPPING**

The purchase and sale of the Corporation's securities may only be done in accordance with the Corporation's *Insider Trading Policy*. A violation of the *Insider Trading Policy* is also a violation of this Code.

## **6. PUBLIC DISCLOSURE**

The Corporation has an obligation under applicable laws to make full, fair, accurate, timely and understandable disclosure in its financial records and statements, in reports and documents that it files with or submits to securities regulatory authorities and in its other public communications. To support this, Algonquin Representatives are required to ensure that all media relations are coordinated through the Corporation's Disclosure Committee and to otherwise comply with the *Disclosure Policy*. To prevent inadvertent disclosure of undisclosed material information, employees are prohibited from posting information to or otherwise participating in Internet blogs, chat rooms, social media (such as Twitter, LinkedIn or Facebook) or similar forums on matters pertaining to the Corporation's business and affairs or its securities, unless authorized to do so by an authorized spokesperson for the Corporation.

## **7. HANDLING OF CONFIDENTIAL INFORMATION**

At all times, Algonquin Representatives must take appropriate steps to protect confidential information. In addition to the restrictions regarding material non-public information set forth in the *Disclosure Policy*, Algonquin Representatives must safeguard proprietary information, which includes information that is not generally known to the public and has commercial value in Algonquin's business. Proprietary information includes, among other things, business methods, analytical tools, software programs, trade secrets, ideas, techniques, inventions and other



information relating to economic analysis, designs, algorithms and research.

The obligation to preserve proprietary information continues even after employment ends. In addition to violating this Code and Algonquin policy, unauthorized use or distribution of proprietary information could be illegal and result in civil or even criminal penalties.

## **8. USE OF ALGONQUIN ASSETS**

Algonquin assets, including facilities, funds, materials, supplies, time, information, intellectual property, computers, mobile devices, information technology hardware and software, facilities and other assets owned or leased by Algonquin, or that are otherwise in Algonquin's possession, may be used only for legitimate business purposes of Algonquin. Algonquin assets are not to be misappropriated, loaned to others, donated, sold or used for personal use, except for any activities that have been approved by the Board or the Ethics Officer in advance, or for personal usage that is minor in amount and reasonable. Algonquin Representatives are to report any theft or suspected theft of Algonquin assets to the Ethics Officer.

## **9. FAIR DEALING**

Each Algonquin Representative should deal fairly and in good faith with other Algonquin Representatives, securityholders, customers, suppliers, regulators, business partners and competitors. No Algonquin Representative may take unfair advantage of anyone through manipulation, concealment, misrepresentation, inappropriate threats, fraud, abuse of confidential information or any other intentional unfair dealing practice.

## **10. PRIVACY AND PERSONAL INFORMATION**

Algonquin is accountable for personal information under its control and custody and strives to comply with all applicable privacy laws and regulations. Algonquin maintains policies for protecting privacy which supplement this Code and with which all Algonquin Representatives must comply. Key principles with respect to personal information include:

- collect the minimum needed for business, legal, security or contractual purposes;
- obtain the knowledge and informed consent of the individual from whom it is collected, except as permitted or required by law;
- limit access to those with a need to know for a legitimate business purpose;
- do not use or disclose it for purposes other than those for which it was collected, except



with the knowledge and informed consent of the individual or as permitted or required by law;

- retain it only for so long as necessary for the fulfillment of the above purposes;
- keep it sufficiently accurate, complete and current to minimize the possibility that inappropriate information may be used;
- enable individuals to exercise their rights under applicable privacy laws and Algonquin's policies, such as the ability to access and correct their personal information; and
- comply with all applicable laws relating to managing and reporting of privacy breaches, in consultation with the Legal Department.

Remember that Algonquin is responsible for all personal information in its control or custody, including personal information that has been transferred to a third party for processing or use.

## **11. RECORDING OF TRANSACTIONS AND REPORTING OF FINANCIAL INFORMATION**

The Corporation's books and records must fully and fairly disclose, in an accurate, timely and understandable manner, all transactions and assets of the Corporation.

Compliance with internal control procedures and applicable laws and accounting principles is imperative. The integrity of the Corporation's record-keeping and reporting systems shall be maintained at all times. Algonquin Representatives are forbidden to use, authorize, or condone the use of "off-the-books" record-keeping or any other device that could be utilized to distort records or reports of the Corporation's true operating results and financial condition.

Maintenance of falsified, inaccurate or incomplete records can subject the offending individual and the Corporation to civil and criminal penalties.

Algonquin Representatives with responsibility for reporting financial information shall provide information that is accurate, complete, objective, timely and understandable and complies with all applicable laws relating to the recording and disclosure of financial information.

Complaints and concerns regarding accounting, internal accounting controls or auditing matters may be made through the Ethics Hotline in accordance with the Corporation's *Ethics Reporting Policy*, or through one of the other procedures described in the "Reporting of Violations Procedure" section below.



## **12. IMPROPER INFLUENCE ON CONDUCT OF AUDITS**

Algonquin Representatives will not improperly influence, manipulate or mislead any auditor engaged in the performance of an audit of the Corporation's financial information or financial statements.

The honesty and integrity of those who represent the Corporation must underlie all of Algonquin's relationships, including those with shareholders, customers, suppliers, governments, regulators, professional service providers and others.

## **13. RECORDS RETENTION**

Certain records received or generated at Algonquin must be retained for specified periods of time; other records should be purged on a regular basis. Legal and regulatory practice requires the retention of certain records for various periods of time, particularly in the tax, personnel, health and safety, environmental and financial areas. In addition, when litigation or a governmental investigation or audit is pending or imminent, relevant records must not be altered or destroyed until the matter is closed. Destruction of records to avoid disclosure in a legal or governmental proceeding may constitute a criminal offence.

## **14. HEALTH AND SAFETY**

Algonquin strives to provide each Algonquin Representative with a safe and healthy work environment. Each Algonquin Representative has responsibility for maintaining a safe and healthy workplace for all Algonquin Representatives by following safety and health rules and practices and promptly reporting accidents, injuries and unsafe equipment, practices or conditions. Violence and threatening behaviour will not be tolerated.

Algonquin Representatives should report to work in condition to perform their duties, free from the influence of alcohol, illicit drugs or other mood-altering substances (including marijuana / cannabis). Outside of Algonquin-sponsored events, the use, possession, distribution, offering or sale of alcohol, illicit drug or other mood-altering substances (including marijuana / cannabis) in the workplace will not be tolerated. Algonquin Representatives must adhere to all Health and Safety Policies to include but not limited to the *Drug and Alcohol Policy* and the *Safety Handbook*.

## **15. DISCRIMINATION AND HARASSMENT**



Algonquin is committed to maintaining a fair and inclusive workplace that recognizes the importance of providing an environment free from all barriers in order to promote diversity. Algonquin is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. Algonquin Representatives must conduct themselves appropriately at all times and adhere to such policies and guidelines as the *Diversity, Equity and Inclusion in the Workplace Policy* and the *Workplace Civility Policy*.

## **16. COMPUTING TECHNOLOGY/CYBERSECURITY**

Algonquin Representatives with access to Algonquin computing and communication devices must use them in a responsible manner for the benefit of Algonquin and Algonquin Representatives should ensure that they are used appropriately and in line with our *Cybersecurity Policy* and standards. These resources are intended for Algonquin's benefit and use, and employees shall not create or transmit any unsolicited commercial, advertising, or recreational material, or use any system resources for political activities, or to advance the interests of any party other than Algonquin.

Representatives shall not create, access or transmit any material, data, text, audio or images, or material, which is offensive, obscene, indecent, libelous, slanderous, harassing or defamatory. Algonquin Representatives must also comply with all laws including those in respect to all forms of intellectual property rights, trademarks, copyrights and harassment.

All use by Algonquin Representatives of Algonquin's technology, systems or internet is subject to monitoring and periodic audit by authorized personnel.

Company Representatives will:

- report any suspected cyber threats, vulnerabilities, or incidents to the Cybersecurity team;
- use only approved technology and software;
- handle and store data in accordance with the appropriate standard or process; and
- maintain and protect access to all company-owned devices and data by using strong authentication and appropriate access controls.

## **17. REPORTING OF VIOLATIONS PROCEDURE**

### **(a) General Policy Regarding Violations Reports**



Algonquin Representatives who observe, learn of, or, in good faith, suspect a violation of this Code must promptly report the violation to the Ethics Officer, Chair of the Risk Committee of the Board, or Chair of the Audit & Finance Committee of the Board.

Complaints or concerns may be made anonymously through the Ethics Hotline or through another reporting method set out in the Corporation's *Ethics Reporting Policy*. Alternatively, Algonquin Representatives may report a violation or suspected violation of this Code directly to the Ontario Securities Commission or another regulatory authority or law enforcement agency with jurisdiction over the subject matter of the complaint.

Nothing in this Code limits in any way the ability of an Algonquin Representative to communicate directly with a relevant governmental or regulatory agency without notifying or receiving consent from any person within Algonquin.

Algonquin Representatives who report violations or suspected violations in good faith will not be subject to retaliation of any kind. Reported violations will be investigated and addressed promptly and will be treated confidentially to the extent possible.

## **(b) Investigation Procedure**

### **i. Investigation**

Reports of violations will be investigated under the supervision of the Compliance and Ethics Committee (minus any implicated member). Relevant corporate records will be reviewed, and pertinent Algonquin Representatives and others may be interviewed in order to determine the existence and extent of any violation. Algonquin Representatives are expected to cooperate in the investigation of reported violations. The Compliance and Ethics Committee will report on the fact of the commencement of the investigation and the conclusions of the investigation to the Risk Committee of the Board and/or such other committee of the Board that has oversight responsibility for the subject matter of the complaint.

### **ii. Confidentiality**

Except as may be required by law or the requirements of the resulting investigation, the Compliance and Ethics Committee shall not disclose the identity of anyone who reports a suspected violation if anonymity is requested. Except as may be required by law or the requirements of the resulting investigation, all reports of violations and related consultations will be kept confidential to the extent possible under the circumstances. Retaliation in any form



against an individual who reports an alleged violation of this Code in good faith, even if the report is mistaken, or who participates in the investigation of a report, may itself be a violation of law and is a serious violation of this Code. Any alleged act of retaliation must be reported promptly to the Ethics Officer. If determined to have in fact occurred, any act of retaliation will result in appropriate disciplinary action, which may include termination of the Algonquin Representative's relationship with Algonquin.

## **18. COMPLIANCE**

### **(a) Adherence to Code; Disciplinary Action**

All Algonquin Representatives have a responsibility to understand and follow this Code. In addition, all Algonquin Representatives are expected to perform their work with honesty and integrity in all areas not specifically addressed in this Code. Records of all violations of this Code and the disciplinary action taken will be maintained by the Ethics Officer and will be placed in the Algonquin Representative's personnel file.

Algonquin will notify and cooperate with the police or other governmental authorities regarding acts of Algonquin Representatives involving violations of law. In addition, some violations may result in Algonquin bringing suit against Algonquin Representatives or former Algonquin Representatives to defend its interests.

The Ethics Officer or their designate shall provide a report to the Risk Committee at least quarterly on investigations and other significant matters arising under this Code.

### **(b) Responsibility of Senior Employees**

Algonquin Representatives who are officers or other managerial employees are expected to promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. Algonquin Representatives, who are managerial employees, may be disciplined if they condone misconduct, do not report misconduct, do not take reasonable measures to detect misconduct or do not demonstrate the appropriate leadership to promote compliance.

## **19. RELATED ALGONQUIN POLICIES**

This Code should be read in conjunction with Algonquin's other related policies, including:



- *Disclosure Policy*
- *Ethics Reporting Policy*
- *Workplace Civility Policy*
- *Policy on Procurement*
- *Political Participation Policy*
- *Drug and Alcohol Policy*
- *Insider Trading Policy*
- *Workplace Relationships Policy*
- *Policy on Supplier Code of Conduct*
- *Anti-Bribery and Anti-Corruption Policy*
- *Enterprise Cybersecurity Policy*
- *Diversity Equity and Inclusion in the Workplace Policy*

This Code is not intended to create any contract (express or implied) with any person, including any employment or consulting contract, or to constitute any promise that a person's employment or consulting arrangement will not be terminated except for cause.

**Supplemental:** The Code supplements but doesn't replace any contractual obligations.

## **20. AMENDMENT**

**Updates:** Any changes to the Code will be communicated promptly and according to securities laws.



\* \* \* \* \*

**Schedule A**

Ethics Officer:

Jennifer Tindale  
Chief Legal Officer  
Algonquin Power & Utilities Corp.  
354 Davis Road  
Oakville, Ontario L6J 2X1

Telephone: 905-699-2746

Email: [jennifer.tindale@apucorp.com](mailto:jennifer.tindale@apucorp.com)



Name

## ETHICS REPORTING POLICY

Doc No.

100-800-200-001

Owner

Vice President, Internal Audit and Controls

Approver

AQN Board of Directors

Last approval date

**May/7/2025**

### 1. Purpose

Algonquin Power & Utilities Corp. (the “Corporation”) and its subsidiary entities (collectively with the Corporation, “Algonquin”) is committed to high standards of ethical, moral, and legal business conduct. In line with this commitment and Algonquin’s commitment to open communication, this Ethics Reporting Policy (the “Policy”) aims to provide an avenue for employees, contractual staff, officers and directors of Algonquin (each, an “Algonquin Representative” and collectively, the “Algonquin Representatives”) to raise any such concerns anonymously on a confidential basis, free from discrimination, retaliation, harassment, or adverse employment consequences.

### 2. Scope

Algonquin is committed to maintaining a workplace in which concerns regarding suspected or actual wrongdoings detected within the organization regarding:

- incorrect financial reporting;
- breaches of legal obligations;
- environmental health and safety matters;
- activities that are not in line with our policies, including the Code of Business Conduct and Ethics (the “Code”); or
- activities which otherwise amount to serious improper conduct,

can be received and addressed effectively.

### 3. Responsibilities

It is the responsibility of all Algonquin Representatives to comply with the Code and to report violations and suspected violations in accordance with the Code and this Policy.

#### 3.1. Policy Ownership and Accountability

The Risk Committee of the board of directors of the Corporation (the “Board”) is responsible for oversight of the administration of this Policy.

#### 3.2. Administration of the Policy

A Compliance and Ethics Committee (the “Committee”) has been established by the Corporation to assist the Risk Committee in the oversight of the administration of this Policy and the handling of submissions made under this Policy. The Committee membership may be determined from time to time by the Risk Committee.



### 3.3. Periodic Review

This Policy will be reviewed periodically by the Risk Committee. Any substantive amendments to this Policy will be approved by the Board on the recommendation of the Risk Committee.

## 4. Reporting Ethics Concerns

### 4.1. Method of Reporting

Suspected or actual wrongdoings may be reported as follows:

- To your manager, your team's human resources representative or the Chief Transformation Officer @ [sarah.macdonald@libertyutilities.com](mailto:sarah.macdonald@libertyutilities.com)
- To the Ethics Officer at [jennifer.tindale@apucorp.com](mailto:jennifer.tindale@apucorp.com)

The Corporation has also engaged the services of IntegrityCounts, a third-party service provider, to facilitate the reporting of concerns through a secure "ethics hotline" system. The ethics hotline protects the identity of any individuals reporting concerns if requested and provides access through e-mail, telephone, and web interface as follows:

- Email: [liberty@integritycounts.ca](mailto:liberty@integritycounts.ca)
- Telephone: 1-866-921-6714
- Web: [www.integritycounts.ca](http://www.integritycounts.ca)

Algonquin Representatives may also report a violation or suspected violation of the Code directly to the regulatory authority or law enforcement agency with jurisdiction over the subject matter of the complaint.

Nothing in the Code or this Policy limits in any way the ability of an Algonquin Representative to communicate directly with a relevant governmental or regulatory agency without first notifying or receiving consent from any person within Algonquin.

### 4.2. Confidentiality

Any Algonquin Representative making a report may disclose his or her identity but is not required to do so, provided that a report submitted via email may disclose the Algonquin Representative's identity to the email recipient. Except as may be required by law or the requirements of a resulting investigation, the confidentiality of the reporting person will be maintained to the extent possible, if requested.

### 4.3. Non-Retaliation

An Algonquin Representative who, in good faith, submits a report under this Policy, or participates in the investigation of a report, shall not suffer retaliation, harassment or an adverse employment consequence as a result of such submission or participation. An Algonquin Representative who retaliates against a person who has reported a violation or participated in an investigation in good faith is subject to discipline up to and including dismissal.



#### **4.4. Receiving and Investigating Reports**

All complaints received will be reviewed by the Committee which will determine the manner and extent of any investigation or other disposition of the matter. If contact information is available, a member of the Committee will notify the sender of a complaint and acknowledge receipt of the reported or suspected violation within five business days. All reports will be reviewed promptly in accordance with the procedures set out in Appendix A – Procedures for Investigating Complaints and Reporting Results. A Committee designate will provide regular reports to the Risk Committee summarizing all matters reviewed by the Committee.

#### **4.5. Retention of Reports**

The Committee shall retain records of any complaints or concerns submitted under this Policy, tracking their receipt, investigation, and resolution, for a minimum of three years.

#### **4.6. False Disclosures**

The Corporation will treat all complaints received seriously and protect Algonquin Representatives who raise concerns in good faith. However, appropriate disciplinary action will be taken against any Algonquin Representative who is found to have made a submission maliciously that he or she knows to be untrue, or without reasonable grounds for believing that the information supplied was accurate. Such disciplinary action may include dismissal.

#### **References and Related Documents**

This Policy should be read in conjunction with the Code.



## Appendix A Procedures for Investigating Complaints and Reporting Results

### 1. Manner of Investigation

The Committee will review and assess the seriousness of all complaints (“Complaints”) promptly and determine the manner in which Complaints will be investigated, using internal and/or external resources, and will determine which Committee member or delegate will lead such investigation.

The Committee will provide a summary of all matters to the Risk Committee on at least a quarterly basis as contemplated below. If upon initial assessment of a Complaint, it appears that the Complaint relates to one of the following matters (each, a “Specified Complaint”), then the Committee will promptly advise the Chair of the Risk Committee and the chair of the other specified committee of the Board:

- i. a matter that could materially affect the financial statements of the Corporation or the integrity of the Corporation’s system of internal controls (Audit & Finance Committee);
  - ii. a matter that may involve a violation of applicable securities laws;
  - iii. a matter that may involve misconduct of senior management (Human Resources and Compensation Committee);
  - iv. a matter that relates to possible fraud involving amounts above a clearly *de minimis* level (Audit & Finance Committee);
  - v. a matter that relates to the independence of the Corporation’s auditor (Audit & Finance Committee); or
  - vi. a matter that involves allegations of criminal conduct or potential criminal conduct (Human Resources and Compensation Committee).
- (a) The persons assigned the investigation of Complaints will:
- i. treat each Complaint, as well as its investigation and disposition, on a confidential basis in accordance with the Policy;
  - ii. if the Complaint was made through the ethics hotline and if so desired by the complainant, take all reasonable steps to preserve such complainant’s anonymity;
  - iii. involve in each investigation only those persons who need to be involved in order to properly carry out such investigation and, subject to clause 2(b) below, not discuss any Complaint or any action recommended or taken with respect to any Complaint with any Algonquin Representative except to the extent reasonably necessary to give effect to this Policy; and
  - iv. conduct each investigation in a timely manner.



## **2. Monitoring the Status of the Investigation**

- (a) The investigation of all Complaints will be monitored on an ongoing basis by the Committee, minus, if applicable, any person implicated in the Complaint in any way.
- (b) Depending on the nature of a Complaint and its materiality as determined in the first instance by the Committee, and in particular, with respect to any Specified Complaint, will keep the Chair of the Risk Committee and the chair of any other committee of the Board that has oversight of the subject matter of the Complaint, the Chief Executive Officer, and the Chief Financial Officer or any other officer or director of the Corporation (except to the extent any such persons are allegedly implicated in the Complaint) apprised of the status of the investigation for purposes of compliance with regulatory requirements, including the timely and continuous disclosure obligations of the Corporation and the certification obligations of the Chief Executive Officer and the Chief Financial Officer.
- (c) The Risk Committee or any other committee of the Board that has oversight of the subject matter of a Complaint may request special treatment for any Complaint, including the retention of outside counsel or other advisors.

## **3. Resolution of Complaints**

- (a) Subject to clause (c) below, the Committee shall report to the Risk Committee on all Complaints received and shall recommend to the Risk Committee or another committee of the Board that has oversight of the subject matter of a Complaint the action which the Committee considers appropriate with respect to each Complaint.
- (b) Subject to clause (c) below, the Risk Committee or another committee of the Board that has oversight of the subject matter of a Complaint shall consider recommendations by the Committee with respect to any action to be taken with respect to a Complaint and shall determine the action that should be taken with respect thereto.
- (c) The Committee may act with respect to Complaints which the Committee considers to be immaterial.
- (d) The Risk Committee and any other committee of the Board that has oversight of the subject matter of a Complaint shall have access to all communications received by the Committee in connection with such a Complaint.

## 1. INTRODUCTION

Employees, officers, and directors of Algonquin Power & Utilities Corp. (the “**Corporation**”) and its subsidiary entities (including its subsidiary trusts, partnerships, and limited liability companies) may from time to time become aware of corporate developments or plans or other information that may affect the value of the Corporation’s securities before these developments, plans or information are made public. Trading securities of the Corporation while in possession of such information before it is generally disclosed (known as “insider trading”), disclosing such information to third parties before it is generally disclosed (known as “tipping”), or recommending or encouraging a third party to purchase or sell the Corporation’s securities while in possession of such information (known as “recommending”) may expose an individual to criminal prosecution or civil lawsuits. Such action could also result in a lack of confidence in the market for the Corporation’s shares, harming both the Corporation and its shareholders. Accordingly, the Corporation has established this Insider Trading Policy (“**Policy**”) to assist its employees, officers, and directors and the employees, officers, and directors of the Corporation’s subsidiaries in complying with prohibitions against insider trading and tipping.

The procedures and restrictions set forth in this Policy with respect to the trading of securities by AQN Personnel (as defined below) present only a general framework within which AQN Personnel may purchase and sell securities without violating applicable securities laws. AQN Personnel have the ultimate responsibility for complying with applicable securities laws and should obtain additional guidance, including independent legal advice, as circumstances dictate appropriate.

The Corporation’s Board of Directors (“**Board**”) will designate one or more individuals from time to time as Insider Trading Policy Administrators for the purpose of administering this Policy. At the date hereof, the designated Insider Trading Policy Administrators are the Corporation’s Chief Financial Officer, Chief Legal Officer, Chair of the Board, and Chair of the Audit Committee. This Policy has been reviewed and approved by the Board. It will be reviewed periodically by the Corporate Governance Committee. Any substantive amendments to this Policy shall be subject to approval by the Board.



## 2. APPLICATION

The following persons (collectively, “**AQN Personnel**”) are required to observe and comply with this Policy:

- a) all directors, officers, and employees of the Corporation;
- b) all directors, officers, and employees of the Corporation’s subsidiaries;
- c) any other person retained by or engaged in business or professional activity for or on behalf of the Corporation or any of its subsidiaries (such as a consultant, independent contractor or adviser);
- d) any family member, including a spouse or dependent child, or other person living in the household of, or any family member who does not live in the household of, but whose transactions are directed by or are subject to the influence or control of, any of the individuals referred to in section 2(a), (b) or (c) above (each, a “family member”); and
- e) partnerships, trusts, corporations, RRSPs and similar entities over which any of the above-mentioned individuals exercise influence, control or direction, including, with respect to trusts, where such individuals are a trustee or in which they have a beneficial or pecuniary interest.

This Policy applies to all trading, directly or indirectly, in securities of the Corporation, including common shares, warrants, rights to purchase common shares, units or any other type of securities that the Corporation may issue from time to time, including but not limited to preferred shares, convertible debentures or debt securities, as well as derivative securities relating to the Corporation but that are not issued by the Corporation, such as exchange-traded put or call options or swaps relating to the Corporation’s securities.

For the purpose of this Policy, all references to “trade,” “trading,” “transact” and “transactions” broadly include any sale, purchase or other transaction to acquire, transfer or dispose of securities or an interest therein, including the exercise of stock options granted under the Corporation’s stock option plan and the acquisition of common shares, or any gift, pledge, contribution to a trust or loan of securities pursuant to any benefit plan or arrangement of the Corporation, and any derivatives-based or other transaction, agreement, arrangement or understanding or material amendment or termination thereof that would be required to be reported by insiders in accordance with applicable laws or regulations (including National Instrument 55-104 – Insider Reporting Requirements and Exemptions, Part XXI of the *Securities Act* (Ontario), and Canadian Securities Administrators Staff Notice 55-312 – Insider



Reporting Guidelines for Certain Derivative Transactions (Equity Monetization)). For the avoidance of doubt, vesting and settlement alone of equity based compensation awards is not considered “trading” under this Policy.

### **3. INSIDE INFORMATION**

“Inside Information” means:

- a change in the business, operations or capital of the Corporation that would reasonably be expected to have a significant effect on the market price or value of the securities of the Corporation (which includes any decision to implement such a change by the Board or by senior management who believe that confirmation of the decision by the Board is probable);
- a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the securities of the Corporation;
- or
- any information that a reasonable investor would be likely to consider important in deciding whether to buy, hold or sell securities of the Corporation;

in each case, which has not been generally disclosed to the public. For the avoidance of doubt, either positive or negative information can be Inside Information.

For information to be considered to be “generally disclosed to the public”, such information must have been publicly disclosed by way of a press release or a filing with securities regulatory authorities and absorbed by the market (which will generally be considered to have happened at the end of the first full trading day following the disclosure by press release or regulatory filing). Disclosure on the Corporation’s web site or social media accounts alone does not constitute adequate disclosure of material information to the public (see the Corporation’s Disclosure Policy).

Examples of information that may constitute Inside Information are set out in Schedule A to this Policy. It is the responsibility of any AQN Personnel contemplating a trade in securities of the Corporation (or any discussion concerning the Corporation or its securities) to determine prior to such trade (or discussion) whether he or she is aware of any information that constitutes Inside Information. If in doubt, the individual should consult with an Insider Trading Policy Administrator. In addition, section 7(a) of this Policy requires that certain AQN Personnel pre-clear trades in securities of the Corporation.



#### **4. PROHIBITION AGAINST TRADING ON INSIDE INFORMATION**

AQN Personnel must not purchase, sell or otherwise trade securities of the Corporation with knowledge of Inside Information until the end of the first full trading day after the disclosure to the public of the Inside Information, whether by way of press release or a filing made with securities regulatory authorities.

In addition, AQN Personnel must not make any trades in the Corporation's securities during the blackout periods described in section 7 of this Policy.

#### **5. NO SPECULATING, SHORT-SELLING, PUTS OR CALLS**

Certain types of trades in securities of the Corporation by AQN Personnel can raise particular concerns about potential breaches of applicable securities law or that the interests of the persons making the trade are not aligned with those of the Corporation. AQN Personnel are therefore prohibited from, directly or indirectly, undertaking any of the following activities:

- speculating in securities of the Corporation, which may include buying with the intention of quickly reselling such securities, or selling securities of the Corporation with the intention of quickly buying such securities (other than in connection with the acquisition and sale of securities under the Corporation's stock option plan or any other benefit plan or arrangement of the Corporation);
- buying the Corporation's securities on margin (other than in connection with the acquisition and sale of shares issued under the Corporation's stock option plan or any other benefit plan or arrangement of the Corporation);
- short selling a security of the Corporation or any other arrangement that results in a gain only if the value of the Corporation's securities declines in the future;
- selling a "call option" giving the holder an option to purchase securities of the Corporation;
- buying a "put option" giving the holder an option to sell securities of the Corporation; and
- pledging securities of the Corporation as security for a limited recourse or non-recourse loan.



## **6. NO HEDGING**

AQN Personnel are prohibited from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such AQN Personnel.

## **7. RESTRICTIONS ON TRADING OF SECURITIES OF THE CORPORATION**

### *(a) Trading Pre-Clearance for Reporting Insiders*

AQN Personnel who are “Reporting Insiders” of the Corporation (as defined in National Instrument 55-104 – Insider Reporting Requirements and Exemptions) are required to obtain written pre-clearance of any proposed trade of securities of the Corporation from two Insider Trading Policy Administrators (one of whom must be either the Chair of the Board or the Chair of the Audit Committee) before effecting the trade in order to confirm that there is no Inside Information that has not been generally disclosed.

If a Reporting Insider seeking such pre-clearance is an Insider Trading Policy Administrator, then such pre-clearance shall be sought from two other Insider Trading Policy Administrators.

Such pre-clearance may be requested by completing the trade notice set out in Schedule B attached to this Policy and sending it by email to the Insider Trading Policy Administrators. If a Reporting Insider who has requested pre-clearance for a proposed trade has not received such pre-clearance from at least two of the Insider Trading Policy Administrators (one of whom must be either the Chair of the Board or the Chair of the Audit Committee), the Reporting Insider may not proceed with such trade.

If any AQN Personnel have any doubt with respect to whether they are a Reporting Insider, they should contact the Corporation’s Chief Legal Officer.

### *(b) Scheduled Blackout Period for AQN Personnel*

No AQN Personnel shall trade in securities of the Corporation during the period commencing on the first trading day after the end of each fiscal quarter and ending at the conclusion of the first full trading day following the issuance of a press release in respect of the Corporation’s results for such quarter (or, in the case of the fourth quarter, annual results). This period is known as a “blackout period”.



The trading restrictions described above also apply to the exercise of stock options granted under the Corporation's stock option plan and any other securities that may be acquired pursuant to any benefit plan or arrangement of the Corporation, other than automatic purchases under purchase plans or arrangements such as the Employee Share Purchase Plan ("ESPP").

Blackout periods are not applicable to regularly scheduled purchases made under the ESPP. Employees enrolled in the ESPP may continue participating in the ESPP during blackout periods; however such employees shall not make any increase or decrease to the amount of their participation in the ESPP or sell shares from the ESPP during a blackout period or at a time when they are aware of Inside Information; however, employees may do so outside of a blackout period if they are not aware of Inside Information. Additionally, those employees that are subject to blackout periods may not enroll in or cease participation in the ESPP during a blackout period and under no circumstance may an employee enroll in or cease participation in the ESPP at a time when they are aware of Inside Information.

*(c) Extraordinary Blackout Periods*

Additional blackout periods may be prescribed from time to time when it is determined there may be undisclosed Inside Information concerning the Corporation that makes it inappropriate for some or all AQN Personnel to be trading. In such circumstances, an Insider Trading Policy Administrator will issue a notice instructing affected AQN Personnel not to trade in securities of the Corporation until further notice.

AQN Personnel must remember that notice of a restriction on trading may itself constitute Inside Information or information that may lead to rumours and must be kept confidential.

*(d) No Standing Orders or Discretionary Authority*

In order to avoid inadvertent conflict with this Policy and contravention of applicable securities laws, AQN Personnel should not place standing orders with a broker to trade in the Corporation's securities. Standing orders leave AQN Personnel without any control over the timing of the transaction, which could be executed by the broker when the AQN Personnel is aware of Inside Information. Similarly, AQN Personnel are also cautioned not to provide others (such as brokers) with discretion to make purchases or dispositions of the Corporation's securities on behalf of AQN Personnel, as for securities law purposes such trades are



considered to be those of the AQN Personnel. See “Exemption” below regarding automatic securities disposition plans that comply with applicable securities laws.

*(e) Exemption*

Individuals subject to a blackout period who wish to trade in the Corporation’s securities may apply to the Insider Trading Policy Administrators for clearance to trade securities of the Corporation during a blackout period, including through use of an automatic securities disposition plan that complies with applicable securities laws. Any such request should describe the nature and reasons for the proposed trade. The Insider Trading Policy Administrators will consider the request and inform the individual whether or not the proposed trade may be made (or plan entered into). The individual may not make any such trade until he or she has received specific written approval from at least two of the Insider Trading Policy Administrators (one of whom must be either the Chair of the Board or the Chair of the Audit Committee).

## **8. PROHIBITION AGAINST TIPPING AND RECOMMENDING**

AQN Personnel are prohibited from communicating Inside Information to any person outside the Corporation unless: (a) disclosure is in the necessary course of business and the disclosure is made pursuant to the proper performance by such AQN Personnel of his or her duties on behalf of the Corporation; or (b) disclosure is compelled by law.

Subject to the above, Inside Information is to be kept strictly confidential by all AQN Personnel until after it has been generally disclosed to the public.

If any AQN Personnel has any doubt with respect to whether any information is Inside Information or whether disclosure of Inside Information is required in the necessary course of business, the individual is required to contact an Insider Trading Policy Administrator.

AQN Personnel with knowledge of Inside Information shall not recommend or encourage any other person to trade in the securities of the Corporation, regardless of whether the Inside Information is specifically communicated by AQN Personnel to such person.

If any AQN Personnel has any doubt with respect to whether any information is Inside Information or whether disclosure of Inside Information, or recommending or encouraging trading in the Corporation’s securities, is in the necessary course of business, the individual is required to contact an Insider Trading Policy Administrator.



## **9. SECURITIES OF OTHER ISSUERS**

In the course of the Corporation's business, AQN Personnel may obtain material information about another publicly traded issuer that has not been generally disclosed. Securities laws generally prohibit such AQN Personnel from trading in securities of that issuer while in possession of such information or communicating such information to another person. The restrictions set out in this Policy apply to all AQN Personnel with respect to both trading in the securities of another issuer while in possession of such information, and communicating such information, and recommending or encouraging any person to trade in securities of such another publicly traded issuer, whether such issuer's securities are publicly traded within Canada or otherwise.

## **10. REPORTING REQUIREMENTS**

The directors and certain officers of the Corporation and its subsidiaries are "Reporting Insiders" under applicable securities laws. If you are uncertain as to whether you are a Reporting Insider, you must contact an Insider Trading Policy Administrator.

Reporting Insiders are required to file reports (generally within five days) with Canadian securities regulators pursuant to the electronic filing system known as SEDI, of any direct or indirect beneficial ownership of, or control or direction over, securities of the Corporation and of any change in such ownership, control or direction.

Reporting Insiders must also file reports in respect of any interest in, or right or obligation associated with, a related financial instrument (*i.e.*, a derivative) involving a security of the Corporation, as well as any monetization transaction, secured loan with recourse limited to securities of the Corporation, or similar arrangement, trade or transaction that changes the Reporting Insider's economic exposure to or interest in securities of the Corporation, which may not necessarily involve a purchase or sale.

It is the responsibility of each Reporting Insider to comply with these reporting requirements. To support such compliance, Reporting Insiders are required to provide the Corporation's Chief Legal Officer with written details of any trade within 24 hours of such trade so that timely reporting arrangements can be confirmed. The Corporation will assist any Reporting Insider in the preparation and filing of insider reports upon request.



## **11. PENALTIES AND CIVIL LIABILITY**

The applicable Canadian securities laws that impose insider trading, tipping and recommending prohibitions also impose substantial penalties and civil liability for any breach of those prohibitions, namely, depending on the violation:

- fines of up to CDN\$5,000,000 and four times the profit made or loss avoided;
- prison sentences for a term not exceeding 10 years for insider trading, and five years for tipping or recommending;
- civil liability for compensation to the seller or purchaser of the relevant securities for damages as a result of the trade; and
- public interest orders such as trading bans and bans against acting as a director or officer of a public issuer and acting as or becoming a registrant.

Where a company is found to have committed an offence, the directors, officers and supervisory personnel of the company may be subject to the same or additional penalties.

U.S. securities laws similarly impose substantial penalties and civil liability for breaches of insider trading and tipping prohibitions.

## **12. ENFORCEMENT**

All directors, officers, employees, and consultants of the Corporation and its subsidiaries will be provided with a copy of this Policy. It is a condition of their appointment or employment that each of these individuals at all times abide by the standards, requirements and procedures set out in this Policy. Any such individual who violates this Policy may face disciplinary action up to and including termination of his or her employment, appointment with the Corporation without notice. The violation of this Policy may also violate certain securities laws, corporate laws and/or criminal laws. If it appears that an employee, consultant, officer or director may have violated such securities laws, the Corporation may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

\* \* \* \* \*

Should you have any questions or wish information concerning the above, please contact an Insider Trading Policy Administrator.



## SCHEDULE A

### Common Examples of Inside Information

- Proposed changes in capital structure including share splits and dividends-in-kind
- Proposed or pending financings
- Material increases or decreases in the amount outstanding of securities or indebtedness
- Proposed changes in structure including amalgamations and reorganizations
- Proposed acquisitions including take-over bids or mergers
- Material acquisitions or dispositions of assets
- Material changes or development in contracts which would materially affect earnings upwards or downwards
- Material changes in the business of the Corporation or its subsidiaries
- Changes in the senior management or control of the Corporation
- Bankruptcy or receivership
- Changes in the Corporation's external auditors
- The financial condition and results of operations of the Corporation
- Indicated changes in revenues or earnings that are greater than recent average changes
- Material legal proceedings
- Cybersecurity risks and incidents
- Defaults in material obligations
- The results of the submission of matters to a vote of security holders
- Transactions with directors, officers, or principal security holders
- The granting of options or payment of other compensation to directors or officers



**SCHEDULE B**  
**TRADE NOTICE**

TO: Insider Trading Policy Administrators  
FROM: **[REPORTING INSIDER'S NAME]**  
RE: Insider Trading Policy (the "Policy")

I, or an entity over which I exercise influence, control or direction, or a family member (as defined in the Policy) propose to **[buy/sell/describe other type of trade]** securities of Algonquin Power & Utilities Corp. in the amount of up to \_\_\_\_\_ (the "Proposed Trade").

In accordance with the Policy, I hereby certify that:

1. I have read and understand the Policy.
2. I do not have (and in the case of a trade by a family member or an entity over which I exercise influence, control or direction, such family member or entity does not have) knowledge of Inside Information (as defined in the Policy) which has not been generally disclosed.
3. I agree that the Proposed Trade will not be completed until pre-clearance is received from two Insider Trading Policy Administrators designated under the Policy (as evidenced by their signatures below), at least one of whom must be either the Chair of the Board or the Chair of the Audit Committee.
4. I agree that if pre-clearance is received for the Proposed Trade, it will, unless otherwise specified, be effective until the conclusion of the fifth trading day following the day on which pre-clearance is granted. If Inside Information is acquired prior to completion of the Proposed Trade, the Proposed Trade may not be executed even though pre-clearance has been granted. If the Proposed Trade is not completed within such time, I acknowledge that it will be necessary to reapply for pre-clearance.
5. I understand that if pre-clearance is denied, that fact is itself Inside Information that should not be disclosed to or discussed with anyone.

DATED: \_\_\_\_\_, 20\_\_\_\_\_

Name:  
Title:

PRE-CLEARED ON \_\_\_\_\_, 20\_\_\_\_\_

BY:

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

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

Name

## DISCLOSURE POLICY

Doc No.

100-600-200-001

Owner

Chief Legal Officer

Approver

Board of Directors

Last review date

02/28/24

## 1. OBJECTIVE AND SCOPE

Algonquin Power & Utilities Corp. (the “**Corporation**”) has adopted this Policy in order to ensure a consistent approach to disclosure by the Corporation and compliance with Sections 75 and 76 of the *Securities Act* (Ontario) and similar provisions under the securities legislation of other provinces and territories and the rules of the Toronto Stock Exchange relating to disclosure of information. This Policy applies to the directors (the “**Directors**”), officers (the “**Officers**”), and employees of the Corporation and the directors, officers, and employees of the Corporation’s subsidiary entities (“**Corporation Entities**”) whose duties include services to the Corporation or any Corporation Entity (“**Corporation Personnel**”).

This Policy covers disclosure documents filed with the securities regulators, financial and non-financial disclosure, including management’s discussion and analysis (MD&A), and written statements made in the Corporation’s annual and quarterly reports, news releases, letters to shareholders of the Corporation (the “**Shareholders**”), presentations by the Corporation, the Corporation’s ESG-related publications, and information contained on the Corporation’s web site and other electronic communications. It extends to oral statements made on behalf of the Corporation in meetings and telephone conversations with members of the investment community (which includes analysts, investors, investment dealers, brokers, investment advisers, and investment managers), interviews with the media, speeches, press conferences, conference calls, and dealings with the public generally.

Reference should be made to the Public Filing Approval Policy for the process by which management approvals must be obtained prior to the public disclosure of any information that is intended or required to be filed on SEDAR and EDGAR.

This Policy has been reviewed and approved by the Board of Directors (the “**Board**”). It will be reviewed periodically by the Corporate Governance Committee. Any substantive amendments to this Policy shall be subject to approval by the Board.

## 2. DISCLOSURE COMMITTEE

The disclosure committee (the “**Committee**”) is responsible to assist the Chief Executive Officer and the Chief Financial Officer of the Corporation in fulfilling their responsibility for overseeing the accuracy and timeliness of the disclosures made by the Corporation. The responsibilities of the Committee are set out in its mandate. The Committee consists of certain Officers of the Corporation and its subsidiaries, internal legal counsel, and investor relations personnel.



The Committee should be kept fully apprised of all pending Corporation developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information. If it is determined that material information (see Appendix A for examples of material information) should remain confidential, the Committee will determine how that information will be controlled.

### **3. PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION**

Material information is any information relating to the business and affairs of the Corporation that results in, or would reasonably be expected to result in, a significant change in the market price or value of the Corporation's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions. In complying with the requirement to immediately disclose all material information under applicable laws and stock exchange rules, the Corporation will adhere to the following basic disclosure principles:

- material information will be publicly disclosed promptly via news release;
- in certain circumstances, the Committee may determine that such disclosure would be unduly detrimental to the Corporation (for example, if release of the information would prejudice negotiations in a transaction), in which case the information will be kept confidential until the Committee determines it is appropriate to publicly disclose. In these circumstances, the Committee will (i) determine whether the undisclosed material information constitutes a "material change" as defined under applicable securities laws and, if so, will cause a confidential material change report to be filed with the applicable securities regulators, and (ii) will periodically (at least every 10 days) review its decision to keep the information confidential (see "Rumours");
- disclosure must include any information the omission of which would make the rest of the disclosure misleading;
- unfavourable material information must be disclosed as promptly and completely as favourable information;
- disclosure on the Corporation's web site alone does not constitute adequate disclosure of material information; and
- disclosure must be corrected promptly if the Corporation subsequently learns that earlier disclosure contained a material error at the time it was given.

### **4. MAINTAINING CONFIDENTIALITY**

All Corporation Personnel should take appropriate steps to safeguard the confidentiality of information. To prevent the misuse or inadvertent disclosure of confidential information, the following procedures should be observed at all times:

- documents and files containing confidential information should be kept in a safe place, with access restricted to individuals who "need to know" that information in the necessary course of business;



- confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis;
- confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them;
- Corporation Personnel must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office; and
- transmission of documents by fax or e-mail should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions by the intended recipient.

## **5. AUTHORIZED SPOKESPERSONS**

Communication to Shareholders, the investment community, regulators, and the media on matters relating to the Corporation is the responsibility of the Officers, who are authorized spokespersons for the Corporation. The Chief Executive Officer, the Chief Financial Officer or the Chief Legal Officer may designate additional authorized spokespersons for the Corporation, with or without scope limitations, and shall report any such designations and scope limitations to the Secretary of the Committee. The Secretary of the Committee shall maintain a current list of authorized spokespersons and scope limitations.

Corporation Personnel may not respond under any circumstances to inquiries from Shareholders, the investment community, the media or others, unless specifically asked to do so by an authorized spokesperson of the Corporation.

## **6. NEWS RELEASES**

Once the Committee determines that a development is material and requires disclosure, it will authorize the issuance of a news release by the Corporation unless the Committee determines that such developments must remain confidential for the time being. If developments are to remain confidential, appropriate confidential filings must be made and control of the material information must be instituted.

News releases containing earnings guidance and financial results will be reviewed by the Corporation's Audit Committee prior to issuance. Financial results will be publicly released promptly following approval by the Board.

If the Toronto Stock Exchange (the "TSX") is open for trading at the time of a proposed announcement, prior notice of a news release announcing material information must be provided to its market surveillance division to enable a trading halt, if deemed necessary by the TSX. If a news release announcing material information is issued outside of trading hours, the TSX must be notified promptly and in any event before the market reopens.



News releases will be disseminated through an approved news wire service that provides simultaneous national distribution. News releases will be transmitted to the TSX and relevant regulatory bodies and as considered appropriate by the Committee, major national business wires.

News releases should be posted on the Corporation's web site in a timely fashion after confirmation of dissemination over the news wire.

Reference should be made to the Local Media Release Approval Policy for the process by which management approvals must be obtained prior to the public disclosure of information beyond that which is required by law.

## **7. CONFERENCE CALLS**

Conference calls may be conducted for quarterly earnings and major developments but should be accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a webcast over the Internet. The call should be preceded by a news release containing all relevant material information. In appropriate circumstances, at the beginning of the call, an authorized spokesperson will provide appropriate cautionary language regarding any forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities, and a full discussion of the risks and uncertainties applicable to the news.

The Corporation will provide advance notice of any conference call and/or webcast by issuing a news release announcing the date, time, and topic and providing information on how interested parties may access the call and/or webcast. These details will be provided on the Corporation's web site. In addition, the Corporation may send invitations to analysts, institutional investors, the media, and others. Any supplemental information provided to participants should also be posted to the web site for others to view.

An audio recording and/or text transcript of each conference call may be made available on the Corporation's web site for a maximum of 30 days, after which it will be moved to a website location that is identified as "historical information". The Committee should hold a debriefing meeting immediately after the conference call and if it determines that selective disclosure of previously undisclosed material information has occurred, the Corporation will promptly disclose the information broadly via news release.

Conference calls will never be used to announce material information. Any such announcement should be made by a press release prior to any conference call.



## **8. RUMOURS**

The Corporation's policy is to not comment, affirmatively or negatively, on rumours. This also applies to rumours on the Internet. Authorized spokespersons for the Corporation should respond consistently to any rumours, saying, "It is our policy not to comment on market rumours or speculation."

Should the TSX request that the Corporation make a definitive statement in response to a market rumor that is causing significant volatility in the Corporation's securities, the Committee will consider the matter and decide whether to make a Policy exception. If the rumor is true in whole or in part, this may be evidence of a leak, and the Committee will consider whether a news release should be issued disclosing the relevant material information.

Similarly, if rumours concern a matter which has been the subject of a confidential material change report, the Committee will consider whether there ought to be general disclosure of the material change.

## **9. CONTACTS WITH ANALYSTS, INVESTORS AND THE MEDIA**

Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. If the Corporation intends to announce material information at an analyst or Shareholder meeting or a press conference or conference call, the announcement must be preceded by a news release.

The Corporation recognizes that meetings with analysts and significant investors are an important element of its investor relations program. An authorized representative of the Corporation will meet with analysts and investors individually or in small groups as needed and will initiate contacts or respond to analyst and investor calls in a timely, consistent, and accurate fashion in accordance with this Policy.

The Corporation should provide only non-material information through individual and group meetings. The Corporation should not alter the materiality of information by breaking down the information into smaller, non-material components.

The Corporation will provide the same sort of detailed, non-material information to individual investors or reporters that it has provided to analysts and institutional investors and may post this information on its web site.

Authorized spokespersons of the Corporation should keep notes of telephone conversations with analysts and investors and where practicable more than one Corporation representative will be present at all individual and group meetings. A debriefing should be held after these meetings and if it is determined that selective disclosure of previously undisclosed material information has occurred, the Corporation will promptly disclose the information broadly via news release.



## **10. REVIEWING ANALYST REPORTS AND FINANCIAL MODELS**

Upon request, the Corporation may review analysts' draft research reports or financial models for factual accuracy based on publicly disclosed information. The Corporation will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's financial model and earnings estimates.

To avoid appearing to endorse an analyst's report or model, an authorized spokesperson will provide comments orally or the Corporation will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy. In addition, the Corporation should comment only on draft analyst research reports and should not comment on final analyst reports.

## **11. LIMITS ON DISTRIBUTING ANALYST REPORTS**

Analyst reports are proprietary products of the analyst's firm. Distributing or referring to analyst reports, or providing links to them, may be viewed as an endorsement by the Corporation of the reports. For these reasons, the Corporation will not provide analyst reports through any means to persons outside of the Corporation or generally to Corporation Personnel, including posting such reports on its web site. Analyst reports may, however, be provided to the Directors, Officers and senior management of the Corporation and to the Corporation's financial and professional advisors. The Corporation may post on its web site a complete listing, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on the Corporation. If provided, this list will not include links to the analysts' or any other third party web sites or publications.

## **12. FORWARD-LOOKING INFORMATION**

A consistent approach to disclosure is important. Should the Corporation elect to disclose forward-looking information in continuous disclosure documents, speeches, conference calls, etc., the following guidelines will be observed:

- all material forward-looking information will be broadly disseminated via news release;
- the information will be clearly identified as forward-looking;
- the Corporation will ensure it has a reasonable basis for making statements that relate to forward-looking information;
- the Corporation will identify the material assumptions used in the preparation of forward-looking information;
- the information will be accompanied by a statement that identifies, in specific terms, the risks and uncertainties that may cause the actual results to differ materially from those projected in the statement; and
- the information will be accompanied by a statement that the information is stated as of the current date and subject to change after that date, and the Corporation



disclaims any intention to update or revise this statement of forward-looking information, except as may be required by applicable law.

If the Corporation has issued a forecast or projection covered by National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), the Corporation will update that forecast or projection periodically as required by NI 51-102.

### **13. HISTORICAL INFORMATION**

In general, an authorized spokesperson may refer the investment community to previously disclosed historical information about the Corporation included in the Corporation’s existing public disclosures or to facts that are generally known. Where an authorized spokesperson refers to previously disclosed information, the authorized spokesperson should indicate that the information is historical, that the Corporation has not reviewed the information to determine whether it remains accurate, and that the Corporation is not undertaking any duty to update the information. Authorized spokespersons should be aware that there may be circumstances in which commenting on previously disclosed historical or factual information would constitute a disclosure of material nonpublic information.

### **14. PROVIDING GUIDANCE**

The Corporation will try to ensure, through its regular public dissemination of quantitative and qualitative information, that analysts’ estimates are in line with the Corporation’s expectations. The Corporation will not confirm, or attempt to influence, an analyst’s opinions or conclusions and will not express comfort with analysts’ financial models and earnings estimates.

If the Corporation has determined that it will be reporting results materially below or above publicly held expectations, it may decide to disclose this information in a news release to enable discussion without risk of selective disclosure (see “Forward-Looking Information” for any such disclosure that is forward-looking).

### **15. QUIET PERIODS**

To avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Corporation will observe quiet periods prior to quarterly earnings announcements or when material changes are pending. Regular quiet periods will commence on the tenth calendar day following the last day of each fiscal period and end at the conclusion of the first full trading day after the issuance of a news release disclosing results for the period just ended.

During a quiet period, neither the Corporation nor the Officers will initiate any meetings or telephone contacts with analysts and investors, unless authorized by the Committee, but will respond to unsolicited inquiries concerning factual matters. If the Corporation is invited to participate, during a quiet period, in investment meetings or conferences organized by others, the Officers will determine, on a case-by-case basis, if it is advisable to accept these invitations.



If accepted, extreme caution will be exercised to avoid selective disclosure of any material non-public information. No comments concerning the fiscal period just ended, nor any comments respecting past or present guidance, are permitted during the quiet period.

#### **16. INADVERTENT OR UNAUTHORIZED DISCLOSURE**

If previously undisclosed material information has been inadvertently disclosed to any person outside the Corporation other than in the necessary course of business pursuant to the proper performance by such person of his or her duties on behalf of the Corporation or disclosed on some other unauthorized basis, the Corporation shall cause such information to be publicly disclosed to the public via press release as soon as possible after learning of the inadvertent or unauthorized disclosure. The Corporation shall assess whether a trading halt of the Corporation's listed securities on the TSX (or any other exchanges on which securities of the Corporation are listed) should be requested until proper disclosure has been made.

#### **17. DISCLOSURE RECORD**

Officers will maintain a five-year record of all public information about the Corporation, including continuous disclosure documents, news releases, analysts' reports, transcripts or tape recordings of conference calls, debriefing notes, notes from meetings and telephone conversations with analysts and investors, and newspaper articles.

#### **18. RESPONSIBILITY FOR ELECTRONIC COMMUNICATIONS**

This Policy also applies to electronic communications. Accordingly, Officers and personnel responsible for written and oral public disclosures are also responsible for electronic communications.

The Officers are responsible for monitoring all Corporation information placed on the web site to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws.

Disclosure on the Corporation's web site alone does not constitute adequate disclosure of information that is considered material non-public information. Any disclosures of material information on the web site will be preceded by the issuance of a news release.

All continuous disclosure documents will be provided in the "Investors" section of the Corporation's web site. All information posted, including text and audiovisual material, should show the date that the material was issued.

Officers will endeavor to maintain a log indicating the date that material information is posted and/or removed from the "Investors" section of the web site. Documents filed with securities regulators should be maintained on the web site for a minimum of two years.



Officers must approve all links from the Corporation web site to third party web sites. The web site should include a notice that advises readers they are leaving the Corporation's web site and that the Corporation is not responsible for the contents of the other site.

Officers will also be responsible for responses to electronic inquiries. Only public information or information that could otherwise be disclosed in accordance with this Policy shall be used to respond to electronic inquiries.

To prevent inadvertent disclosure of undisclosed material information, employees are prohibited from posting information to or otherwise participating in Internet blogs, chat rooms, social media (such as Twitter, LinkedIn or Facebook) or similar forums on matters pertaining to the Corporation's business and affairs or its securities, unless authorized to do so by an authorized spokesperson for the Corporation.

#### **19. COMMUNICATION, EDUCATION AND ENFORCEMENT**

A copy of this Policy will be provided to all Corporation Personnel. Changes will be communicated to all Corporation Personnel on a timely basis after the change is effective.

Any employee of the Corporation Entities who violates this Policy may face disciplinary action up to and including termination of employment without notice. The violation of this Policy may also violate certain securities laws, which could expose the Directors, Officers or employees to personal liability. If it appears that an employee may have violated such securities laws, the Corporation may refer the matter to the appropriate regulatory authorities, which could lead to fines or other penalties.



## **Appendix A: Examples of Potentially Material Information**

The following are examples of the types of events or information which may be material. This list is not exhaustive and is not a substitute for the Corporation's judgment in making materiality determinations.

### Changes in Corporate Structure

- changes in share ownership that may affect control of the Corporation
- major reorganizations, amalgamations, or mergers
- take-over bids, issuer bids, or insider bids

### Changes in Capital Structure

- the public or private sale of additional securities
- planned repurchases or redemptions of securities
- planned splits of common shares or offerings of warrants or rights to buy shares
- any share consolidation, share exchange, or stock dividend
- changes in the Corporation's dividend payments or policies
- the possible initiation of a proxy fight
- material modifications to rights of security holders

### Changes in Financial Results

- a significant increase or decrease in near-term earnings prospects
- unexpected changes in the financial results for any periods
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the Corporation's assets
- any material change in the Corporation's accounting policies

### Changes in Business and Operations

- any development that affects the Corporation's resources, technology, products or markets
- a significant change in capital investment plans or corporate objectives
- major labour disputes or disputes with major contractors or suppliers
- significant new contracts, products, patents, or services or significant losses of contracts or business
- changes to the Board or executive management, including the departure of the Corporation's Chief Executive Officer, Chief Financial Officer, or Chief Operating Officer (or persons in equivalent positions)
- the commencement of, or developments in, material legal proceedings or regulatory matters
- information regarding cybersecurity risks or incidents
- waivers of corporate ethics and conduct rules for Officers, Directors, and other key employees



- any notice that reliance on a prior audit is no longer permissible
- de-listing of the Corporation's securities or their movement from one quotation system or exchange to another

#### Acquisitions and Dispositions

- significant acquisitions or dispositions of assets, property or joint venture interests
- acquisitions of other companies, including a take-over bid for, or merger with, another company

#### Changes in Credit Arrangements

- the borrowing or lending of a significant amount of money
- any mortgaging or encumbering of the Corporation's assets
- defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors
- changes in rating agency decisions
- significant new credit arrangements



Name	Version No.
Privacy Policy- External	1.3
Doc No	Last Approval Date
100-810-200-010	05/31/2023
Owner	Next Review Date
Dan Gilpin, VP, Compliance and Ethics	04/30/2024
Approver	
Mary Ellen Paravalos, CCRO	

## Privacy Policy and Notices

Algonquin Power & Utilities Corp. and its affiliates and subsidiaries, which include those entities forming part of the Liberty Utilities Group and the Liberty Power Group (collectively referred to as "Algonquin", "we", "us", or "our") are concerned with your privacy and want you to be familiar with how we collect, use and disclose personal information. This Privacy Policy describes Algonquin's practices with respect to personal information collected through our websites which display it, as well as offline, such as when you ("user", "you" or "your") apply for or use our services, or otherwise interact with us. This Privacy Policy does not apply to personal information relating to our employees.

By accessing or using our websites or services or providing us with personal information, you agree and consent to the provisions of this Privacy Policy.

### Personal Information We Collect

For purposes of this Privacy Policy, "Personal Information" is information about you as an identified or identifiable individual, but does not include business contact information (information used for the purpose of communicating or facilitating communication with an individual in relation to their employment, business or profession such as information that would appear on a business card). Personal Information may include your full name plus another identifying piece of information, such as your driver's license identification number or your banking information, in accordance with the laws of the State or Province in which you reside. The Personal Information we collect varies depending on how you interact with us.

### Information you provide to us

We collect Personal Information that is necessary to establish and maintain relationships with our customers, to manage and develop our business operations, to provide customer service, and to develop, enhance, market, promote or provide products and services.

We may collect your name, contact information (such as your address, email address or phone



number), date of birth, Social Security Number (for US residents), Social Insurance Number (for Canadian residents), credit history information, government issued identification information, payment card or banking information, tax identification information, or health or medical information.

We may also collect Personal Information when we conduct market research, you visit, register for, manage or access your online account, you fill out a form or sign up for alerts or notifications from us, you submit an application for employment to us, we interact as part of an open house or other public consultation forum related to our business, or you communicate with us or our representatives (for example, when you report an emergency or service issue).

### **Information from Third Parties**

To the extent permitted by law, we may collect or purchase information from third parties, including marketing companies, digital advertising agencies, third-party ad servers, third-party email servers, data aggregators, analytics providers, or third-party advertising networks.

### **Information We Collect Automatically**

We may collect certain information automatically when you visit our websites, including through cookies, pixels, and other technologies:

**Cookies:** Cookies, pixels, or other tracking technologies are small data files that a website or its service providers may place on your browser when you visit a website. Cookies store a unique numerical identifier that sends back a signal to the installer of the cookie to announce your browser's presence and movement on the website that installed the cookie or on websites that you visit after the cookie is installed. There are many different types of cookies that perform different functions. Some of these cookies remain on your browser and allow the installer of the cookie to track you over time and across the Internet. A cookie does not identify you personally, but only identifies your browser.

Depending on the settings you have chosen on your browser, we may use cookies on our websites to keep track of services you have used, to record registration information regarding your username and password, to record your user preferences, to keep you logged into the website and to facilitate purchase procedures. We may also use cookies to track the webpages you visit during each website session, to help us improve user experience and to help us understand how the website is being used. Many browsers maintain a default setting to allow cookies. You have the ability to modify this setting so as to decline cookies. The "Help" tab on your toolbar may guide you to the settings for your browser that will allow you to change your browser settings with regard to cookies. If you decline cookies, your use of our websites may be impaired.

**Web Beacons:** A "web beacon" is an object that is embedded in a web page or email that is usually invisible to the user and allows website operators to check whether a user has viewed a particular web page or an email. We may use web beacons on our websites and in emails to count users who have visited particular pages, viewed emails and to deliver co-branded services (where legally permissible). Some web beacons



can be rendered ineffective by declining certain cookies or modifying your browser setting to notify you each time a cookie is tendered, permitting you to accept or decline cookies on an individual basis.

**IP Addresses:** Your "IP Address" is a number that is automatically assigned to the computer that you are using by your Internet Service Provider ("ISP"). An IP Address is identified and logged automatically in Algonquin's server log files whenever a user visits our websites, along with the time of the visit and the page(s) that were visited.

Algonquin uses IP Addresses for purposes such as calculating website usage levels, helping diagnose server problems, administering the website and presenting content.

We also collect automatically billing information for existing customers such as payment history and assessments. We also automatically collect data regarding historical meter readings and consumption patterns.

When you contact us via telephone, we may record the conversation for quality assurance, training and record keeping purposes.

Where the information that we collect automatically is not Personal Information, we may use and disclose this information for any purpose. If we combine this information with Personal Information, or if this information is considered Personal Information under applicable privacy laws, we will treat the information as Personal Information in accordance with this Privacy Policy.

We may combine Personal Information that you provide to us directly with the information we collect about you automatically and from third parties. We will treat the combined information as Personal Information and use and disclose it in accordance with this Privacy Policy.

### **How We Use Information We Collect**

We may use Personal Information to:

- Provide the products and services that you request, or obtain products, services or rights from you, including to administer any account or agreement that you have with us.
- Determine your eligibility for services and ability to pay for such services.
- Bill and collect payment for products and services we bill you for.
- Notify credit reporting agencies and collection agencies if your account is designated for collection.
- Assist emergency responders in situations of immediate threat to life or property
- Provide rebates, refunds or credits for usage or programs offered by us.
- Understand your needs and preferences so as to provide you with better services.
- Respond to your inquiries and fulfill your requests.
- Send you important information regarding Algonquin, our services, the websites or other administrative information.



- Send you marketing communications that we believe may be of interest to you.
- Allow you to communicate and interact with us through the websites or otherwise.
- Permit you to register and participate in forums and other events with Algonquin.
- Measure, and improve our services and the content and layout of our websites.
- Address any claims you may have against Algonquin.
- As we believe to be necessary or appropriate: (a) to comply with applicable law, including laws outside your jurisdiction of residence; (b) to comply with legal processes; (c) to respond to lawful requests from public and government authorities including public and government authorities outside your jurisdiction of residence; (d) to enforce Algonquin's terms and conditions; (e) to protect Algonquin's operations; (f) to protect Algonquin's rights, safety or property, you or others; and (g) to allow Algonquin to pursue available remedies or limit the damages that we might sustain.

### **Categories of Persons with Whom We Share Personal Information**

We may disclose Personal Information:

- Within Algonquin, as necessary for the purposes described in this Privacy Policy.
- To Algonquin's third-party service providers who provide services such as website hosting, data analysis, payment processing, program enrollment, order fulfillment, infrastructure provision, IT products and services, customer service, email delivery services, market researchers, auditing services and other similar services to enable them to provide services to Algonquin.
- To third parties such as agents and distributors to facilitate the sale and distribution of Algonquin products and services which may include marketing communications.
- With other users of our services with whom you interact through your own use of our services. When you participate in features on our websites that provide the opportunity to interact with Algonquin and others, you should be aware that any information you submit, including your name, location and e-mail address, may be publicly available to others. We are not responsible for any information you choose to submit through these features, and we strongly discourage you from disclosing any Personal Information, and in particular any sensitive Personal Information (such as health or credit card information) through these features. If you use these features, your Personal Information may remain on the website even after you cease use of the website.
- In connection with, or during the negotiation of, any corporate reorganization, dissolution of all or a portion of our business, merger or acquisition, divestiture, sale of company stock or assets or financing.
- As we believe to be necessary or appropriate: (a) to comply with applicable law, including laws outside your jurisdiction of residence; (b) to comply with legal processes; (c) to respond to lawful requests from public and government authorities including public and government authorities outside your jurisdiction of residence; (d) to enforce Algonquin's terms and conditions; (e) to protect Algonquin's operations; (f) to protect Algonquin's rights, safety or property, you or others; and (g) to allow Algonquin to pursue available remedies or limit the damages that we may sustain.



### **Cross-Border Transfer of Personal Information**

Your Personal Information may be transferred or transmitted to, stored and processed in a foreign country for the purposes described in this Privacy Policy. When your Personal Information is transferred outside your country of residence, it may be subject to the laws of the jurisdiction to which it is transferred. We cannot provide our services to you without such data transfers, so you should not use our services if you do not want these transfers to occur.

### **Third Party Collection of Personal Information about your Online Activities over Time and Across Different Websites**

Certain of our third party service providers may collect information, including Personal Information, about your online activities on our websites and on and across different websites before you enter and after you leave our website. Other third parties may also be tracking your online behavior across the Internet and over time. This privacy policy does not apply to information collected by these third parties.

### **Links to Third Party Sites**

Our websites may contain links to other websites which are owned and operated by unrelated third parties. Please be aware that we are not responsible for the content or privacy practices of such other websites or third parties. We encourage our users to be aware when they leave our site and to read the privacy statements of any other site that collects Personal Information.

### **Security**

Algonquin uses reasonable organizational, technical and administrative measures to protect Personal Information under Algonquin's control. Access to Personal Information is limited to authorized employees, representatives, agents and mandatories who require access for the purposes described in this Privacy Policy. Unfortunately, no data transmission over the Internet or data storage system can be guaranteed to be 100% secure. If you have reason to believe that your interaction with Algonquin is no longer secure (for example, if you feel that the security of any account you might have with Algonquin has been compromised), please immediately notify Algonquin of the problem by contacting Algonquin in accordance with the "Contacting Algonquin" section below.

### **Your Privacy Rights**

If you would like to know which Personal Information we collect about you and how we use, disclose or sell it, or to access, receive a copy of your Personal Information, or correct, suppress, delete or otherwise limit or opt-out of Algonquin's use of your Personal Information in Algonquin's custody or control, you may contact us using the information listed under the "Contacting Algonquin" section below.

In your request, please make clear what Personal Information you would like to have access to or that you



would like to have changed, whether you would like to have your Personal Information suppressed from an Algonquin database or otherwise explain your request. We will try to comply with your request as soon as reasonably practicable, however, our ability to do so may be subject to applicable laws or operational restrictions. Before fulfilling your request, we need to verify your identity or authority to make a privacy rights request. Whenever feasible, we will attempt to match information you provide us in your request, with information we already have about you.

We will not discriminate or retaliate against you for exercising any of your privacy rights. We will explain your options and any consequences if Personal Information is needed to provide you services or for other business reasons, and you refuse to share it with us or ask us to delete it.

### **Promotional Communications**

You may opt out of receiving promotional messages from us by following the instructions in those messages. If you decide to opt out, we may still send you non-promotional communications, such as communications about your settings, your account, outage or emergency alerts.

### **Do Not Track**

Most web browsers and some mobile operating systems include a Do Not Track ("DNT") feature or setting you can activate to signal your privacy preference not to have data about your online browsing activities monitored and collected. Because there is not yet a common understanding of how to interpret the DNT signal, the websites currently do not respond to DNT browser signals or mechanisms.

### **Retention Period**

We will retain your Personal Information for the period necessary to fulfill the purposes outlined in this Privacy Policy unless a longer retention period is required or allowed by law.

### **Children**

Our websites and services are not targeted or directed at children under the age of 13. Our websites are general audience sites that are not designed nor intended to collect Personal Information from children under the age of 13. We do not knowingly collect Personal Information from children under the age of 13.

### **California Users**

California Civil Code Section 1798.83, also known as California "Shine The Light" law, permits our users who are California residents to request and obtain from us, once a year and free of charge, information about the personally identifying information (if any) we disclosed to third parties for direct marketing purposes in the preceding calendar year. If applicable, this information would include a list of the categories of the



personally identifying information that was shared and the names and addresses of all third parties with which we shared personally identifying information in the immediately preceding calendar year. If you are a California resident and would like to make such a request, please submit your request in writing using our contact information below.

The California Consumer Privacy Act (the "CCPA" or "Act") provides California residents with specific rights regarding their personal information. You may learn more about your rights under the [CCPA here](#).

### **Changes to this Privacy Policy**

We may change this Privacy Policy. Please take a look at the "LAST APPROVAL DATE" legend at the top of this page to see when this Privacy Policy was last revised. Any changes to this Privacy Policy will become effective when we post the revised Privacy Policy on the website. If the changes are significant, we may provide a more prominent notice (including, for certain services, email notification of privacy policy changes). Your use of our website following these changes means that you accept the revised Privacy Policy.

### **Contacting Algonquin**

If you have any questions about our Privacy Policy, please contact Algonquin's Chief Privacy Officer at +1-905-465-4500, submit your comment or question via the contact us form below, or please write to the following address:

Algonquin Power & Utilities Corp.  
354 Davis Road, Suite 100  
Oakville, ON  
L6J 2X1

Attention: Chief Privacy Officer


<https://algonquinpower.com/contact.html>



<b>Version No.</b>	<b>Revision Date</b>	<b>Revised By</b>	<b>Description of Revisions</b>
1.0	06/05/2019	Shawn Eck, Senior Manager , IT Security	External privacy policy redrafted to meet new Privacy regulations This policy is available on the company's external website
1.1	12/30/2019	Laura Occhipinti	Updated for CCPA requirements
1.2	01/21/2022	David Kalliny	Transferred to new Liberty template
1.3	28/03/2023	J. Dargie	Updated to reflect evolving privacy requirements.

**Attachment B**

**Liberty Utilities (CalPeco Electric) LLC Affiliated Transaction Rules  
Policies and Procedures**

		933 Eloise Avenue, South Lake Tahoe, CA 96150-6470	
<b>Document Type:</b>	Policy & Procedure	<b>Doc #</b>	2100-000-100-0002
<b>Document Name:</b>	Liberty Utilities (CalPeco Electric) LLC Affiliate Transaction Rules Policies and Procedures	<b>Revision #</b>	1 Page 1 of 5

**Liberty Utilities (CalPeco Electric) LLC  
Affiliate Transaction Rules Policies and Procedures**

**Policy on Compliance with California PUC Affiliate Transaction Rules**

Liberty Utilities (CalPeco Electric) LLC’s (“**Liberty CalPeco**” or the “**Company**”) policy is to comply with all applicable affiliate transaction rules (the “**Rules**”) established by the California Public Utilities Commission. Liberty CalPeco’s President has the overall responsibility to ensure that the Company complies with the Rules. Where interpretation of a Rule is required by Liberty CalPeco, it will do so in good faith and consistent with Rule II.I which requires a broad interpretation of the Rules to effectuate the intent of the Rules to foster competition and protect consumer interests.

**Policy on Utility Operations and Service Quality**


It is Liberty CalPeco’s policy to maintain appropriate staffing and resources to provide adequate electric utility services to customers. In turn, Liberty CalPeco’s policy is not to allow affiliate transactions to diminish staffing, resources, or activities in a manner that would result in degradation of the reliability, efficiency, adequacy, or cost of utility service or an adverse impact on customer service. Utility management’s attention shall not be diverted to such transactions in a way that would result in such degradation.

It is Liberty CalPeco’s policy not to engage in anti-competitive behaviors. As such, employees<sup>1</sup> are prohibited from the following activities<sup>2</sup>:

1. Providing confidential business leads to its unregulated affiliates;
2. Soliciting business on behalf of its unregulated affiliates;
3. Acquiring information on behalf of or to provide to its unregulated affiliates;
4. Sharing market analysis reports or any other types of proprietary or non-publicly available reports, including but not limited to market, forecast, planning or strategic reports, with its unregulated affiliates, except that Liberty CalPeco may share such information with a parent under the condition that the parent does not share the information with any other entity;
5. Requesting authorization from its customers to pass on customer information exclusively to its unregulated affiliates;
6. Giving the appearance that the utility speaks on behalf of its affiliates; or
7. Representing that, as a result of the affiliation with the utility, its affiliates or customers of its affiliates will receive any different treatment by the utility than the treatment the utility provides to other, unaffiliated companies or their customers.

<sup>1</sup> Any reference to employees of Liberty CalPeco includes any employees of Liberty Utilities Service Corp. which are dedicated to Liberty CalPeco or provide services to Liberty CalPeco.

<sup>2</sup> These provisions are not intended to apply to Liberty CalPeco’s affiliates that are holding or service companies and providing services to Liberty Apple Valley.

		933 Eloise Avenue, South Lake Tahoe, CA 96150-6470	
<b>Document Type:</b>	Policy & Procedure	<b>Doc #</b>	2100-000-100-0002
<b>Document Name:</b>	Liberty Utilities (CalPeco Electric) LLC Affiliate Transaction Rules Policies and Procedures	<b>Revision #</b>	1
			Page 2 of 5

It is Liberty CalPeco’s policy to provide information, services or unused capacity to an unregulated affiliate on the same basis that Liberty CalPeco would provide such to similarly situated market participants. A list of Liberty CalPeco’s Rule IIB affiliates is posted on its internet site at: <https://california.libertyutilities.com/south-lake-tahoe/libertyutilities.com/coleville/affiliate-update-february-2017.html>

**Policy on Separation**

It is Liberty CalPeco’s policy to fairly allocate common costs amongst all affiliates benefitting from those common costs such that customers of the utility are not subsidizing activities of the parent or another affiliate.

It is Liberty CalPeco’s policy that employees transferred or temporarily assigned from the utility to an affiliate shall not use non-public, proprietary utility information from the utility in a manner that would be detrimental to unaffiliated competitors.

**Policy on Shared Corporate Services**

It is Liberty CalPeco’s policy that the provision of shared corporate services will not provide a means to transfer confidential non-public utility information from the utility to an affiliate that would create the opportunity for preferential treatment or unfair competitive advantage for the utility’s affiliate, lead to customer confusion or create significant opportunities for cross-subsidy of affiliates.

It is Liberty CalPeco’s policy that it will not provide to unregulated affiliates any of the following services:

1. Employee recruiting;
2. Hedging and financial derivatives;
3. Arbitrage services;
4. Electric purchasing for resale;
5. Purchasing of electric transmission;
6. Electric system operations; and
7. Marketing


**Policy on the Financial Health of the Utility**

It is the policy of Liberty CalPeco that it will not allow the creation of a new affiliate to adversely impact its operation or provision of service.

It is Liberty CalPeco’s policy not to issue, guarantee or secure debt of its affiliates, unless authorized by the Commission.

**Policy on the Provision of Non-Tariffed Products and Services**

It is Liberty CalPeco’s policy to only offer non-tariffed products and services consistent with the Rules.

		933 Eloise Avenue, South Lake Tahoe, CA 96150-6470	
<b>Document Type:</b>	Policy & Procedure	<b>Doc #</b>	2100-000-100-0002
<b>Document Name:</b>	Liberty Utilities (CalPeco Electric) LLC Affiliate Transaction Rules Policies and Procedures	<b>Revision #</b>	1
			Page 3 of 5

**Procedure on Utility Operations and Service Quality**

Any request from an affiliate to Liberty CalPeco for customer information must include the specified customer’s explicit written consent. The written consent must include a release to provide the same information to any similarly situated market participant. The request must be made to Liberty CalPeco’s Vice President, Operations. If the Vice President, Operations deems the request to be approved by the customer, the information can be released. The written consent will be retained by Liberty CalPeco’s customer service department for three years.


Provision of any of the following to an affiliate is to be approved in writing by Liberty CalPeco’s Vice President, Operations

- a. Provision of customer information;
- b. Provision of utility services; or
- c. Allowing use of unused capacity or supply.

A copy of the written approval will be posted on Liberty CalPeco’s website so that similarly situated market participant can request similar treatment.

**Procedures on Separation**

1. Liberty CalPeco has affiliate service agreements with affiliates that provide services to it. Charges under those agreements are subject to the methodology set forth in the current Algonquin Power & Utilities Corp. Cost Allocation Manual.
2. Existing procedures and mechanisms provide direction and the means for employees to charge time between affiliates when appropriate. The accounting system is set-up to charge indirect costs that appropriately follow the charging of payroll. Other allocation methods are established for sharing of common costs and other appropriate overheads. These mechanisms are routinely reviewed by the Office of Ratepayer Advocate in every general rate case.
3. Liberty CalPeco’s legal counsel will notify Liberty CalPeco’s Director of Revenue Requirements of all changes made to its Directors and Officers within 30 days of the change. The Director of Revenue Requirements will compare the change to the existing list of Directors and Officers. If the change results in a sharing of any of the Directors or Officers with affiliates, the Director of Revenue Requirements will coordinate and file the required notification with the Commission within the 30 days from the date of the change.
4. All permanent transfers of Liberty CalPeco employees to an affiliate will be coordinated through the Human Resources department. The Human Resources department will provide notification of the transfer, after it has been finalized and consummated, to the Director of Accounting. The Director of Accounting will coordinate the necessary recordation of any applicable fees in a separate Memorandum Account so that the ratepayers receive those fees in the next general rate case. In addition, Liberty CalPeco’s Human Resource department will provide a copy of the Policy on Separation and will review it with the transferring employee and the hiring authority at the affiliate.
5. Each month, the Corporate Accounting Supervisor will coordinate the preparation of a report showing the number of hours worked by an employee for an unregulated affiliate. This report will be reviewed by both the

		933 Eloise Avenue, South Lake Tahoe, CA 96150-6470	
<b>Document Type:</b>	Policy & Procedure	<b>Doc #</b>	2100-000-100-0002
<b>Document Name:</b>	Liberty Utilities (CalPeco Electric) LLC Affiliate Transaction Rules Policies and Procedures	<b>Revision #</b>	1
			Page 4 of 5

Director of Accounting and Corporate Accounting Supervisor to ensure that the limitations in Rule V.G.2.e are not being exceeded or threaten to be exceeded. All potential problems will be communicated to Liberty CalPeco’s General Manager and Chief Financial Officer for resolution, if necessary.

**Procedure for Regulatory Oversight**

1. Algonquin Power & Utilities Corp.’s Compliance Department will advise Liberty CalPeco’s Manager, Rates and Regulatory Affairs within 30 days of establishing a new affiliate. The Manager, Rates and Regulatory Affairs will ensure the posting of this information to Liberty CalPeco’s website, and will file the necessary informational only filing with the Commission within the 60 day requirement.
2. Each year Liberty CalPeco’s Manager, Rates and Regulatory Affairs will make the necessary arrangements for the independent audit of its Affiliate Transaction Compliance Plan. The audit results will be provided to the Commission by May 1st of the year in which the audit is performed.
3. Liberty CalPeco’s Manager, Rates and Regulatory Affairs will review annually the reporting requirements associated with the Annual Affiliate Transaction Report and will coordinate the preparation of this report and submit it as required by the Rules.

**Procedure on Confidentiality**


All individuals responsible for submitting reports to the Commission will determine if any portion of the information is deemed to be confidential. If so, it will mark the filing as Confidential in the manner required by the Commission.

**Procedures on Provision of Non-tariffed Products and Services**

Prior to the provision of any new non-tariffed products and services, the individual advocating that the Company undertake this endeavor is required to convene a meeting where the Rules are discussed, and if appropriate, the Company would request approval of the Commission prior to engaging in that service.

**Procedure for Seeking an Interpretation of the Commission Rules**

Any individual who is responsible for complying with the Rules or is engaged in any activity that is subject to these Rules and who has a question about the Rules, shall email a request for interpretation to the Manager, Rates and Regulatory Affairs. The request should include a brief explanation of the question or concern and indicate when they need a response. The Manager, Rates and Regulatory Affairs will respond in writing.

 <b>Liberty Utilities</b> <small>WATER   GAS   ELECTRIC</small>		933 Eloise Avenue, South Lake Tahoe, CA 96150-6470		
<b>Document Type:</b>	Policy & Procedure	<b>Doc #</b>	2100-000-100-0002	
<b>Document Name:</b>	Liberty Utilities (CalPeco Electric) LLC Affiliate Transaction Rules Policies and Procedures	<b>Revision #</b>	1	Page 5 of 5

**Approval Authority**

<b>Date</b>	<b>Title or Position</b>	<b>Signature</b>
	President, Liberty Utilities (CalPeco Electric) LLC	

**Attachment C**

**List of Liberty Utilities (CalPeco Electric) LLC Rule II.B. Affiliates**

**Attachment C –**  
**Liberty Utilities (CalPeco Electric) LLC**  
**Rule II.B. Affiliates**

**Liberty Utilities (CalPeco Electric) LLC**  
**Rule II.B. Affiliates**

<b>Company Name</b>	<b>Purpose/Activity</b>	<b>California Operations (Y/N)</b>
Algonquin Power & Utilities Corp.	Ultimate parent company of Liberty Utilities (CalPeco Electric) LLC	N
Algonquin Power (Long Sault) Partnership	Owner of 50% joint venture re: hydroelectric generating facility in Canada	N
Algonquin Power (Mont-Laurier) Limited Partnership	Owner of hydroelectric generating facilities in Canada	N
Arizona Solar One LLC	Owner of solar generating facility	Y <sup>1</sup>
Liberty Energy Utilities (New Hampshire) Corp.	Holding company that owns stock of Liberty Utilities (Granite State Electric) Corp.	N
Liberty Utilities (Canada) Corp.	Provides corporate support for the regulated utilities owned by Liberty Utilities Co. and for the non-regulated entities owned by Algonquin Power Co.	N
Liberty Utilities (Granite State Electric) Corp.	Regulated public utility that provides retail electric service in New Hampshire	N
Liberty Utilities (Luning Holdings) LLC	Holding company, 100% owner of Luning Energy LLC	N
Liberty Utilities (Tinker Transmission) LP	Transmission assets transferred to this LP in 2019	N
Liberty Utilities (Wataynikaneyap Transmission) LP	Owner of an electrical transmission project in Canada	N
Liberty Utilities Co.	Parent Company of Liberty Utilities (CalPeco Electric) LLC	N
Liberty Utilities Project Developments, LLC	Project development entity for solar projects in the U.S.	N
Liberty Utilities Service Corp.	Employer of employees that provide services to utilities owned by Liberty Utilities Co. and provides some shared services to the APUC family of companies	Y
Luning Energy LLC	Owner of solar generating project, wholly owned by Liberty Utilities (CalPeco Electric) LLC Asset physically located in NV, indirectly owned by Liberty Utilities (CalPeco Electric) LLC	N
Neosho Ridge Wind, LLC	Owner of wind generating facility	N
North Fork Ridge Wind, LLC	Owner of wind generating facility	N
Société en Commandité Chute Ford	Owner of hydroelectric generating facility in Canada	N
Société Hydro- Donnacona S.E.N.C	Owner of hydroelectric generating facility in Canada in Canada	N
The Empire District Electric Company	Electric distribution utility operating in MO, KS, OK, AR	N
Turquoise Liberty Projectco LLC	Owner of solar generating facility	N

**Attachment D**

**Officer and Director Verifications**

## **OFFICER VERIFICATION**

I, Eric Schwarzrock, hereby declare that I am the President of Liberty Utilities (CalPeco Electric) LLC ("Liberty").

I provide this verification in my capacity as an officer of Liberty and in compliance with the requirements regarding affiliate transactions ("Affiliate Rules") set forth in Decision ("D.") 97-12-088, as modified by D.98-08-035, D.98-12-075, D.99-09-002, and D.02-02-046:

1. Pursuant to Affiliate Rule V.E, I verify that the procedures and mechanisms described in Liberty's Affiliate Transactions Compliance Plan are adequate to ensure that Liberty Utilities Co., which is the immediate parent of Liberty, or any of the Affiliates of Liberty not covered by the Affiliate Rules do not serve as a conduit to circumvent any of the Affiliate Rules.
2. Pursuant to Affiliate Rule V.E, I verify that the procedures and mechanisms described in Liberty's Affiliate Transactions Compliance Plan, specifically the procedures and mechanisms for Affiliate Rule V.E, are adequate to ensure that Liberty follows the mandate of Affiliate Rule V.E and to ensure that Liberty is not utilizing joint corporate support services as a conduit to circumvent any of the Affiliate Rules.
3. Pursuant to Affiliate Rule V.G.1, I verify that the procedures and mechanisms described in Liberty's Affiliate Transactions Compliance Plan, specifically the procedures and mechanisms for Affiliate Rule V.G, are adequate to ensure that Liberty is not utilizing shared officers and directors as a conduit to circumvent any of the Affiliate Rules.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 8th day of April, 2026, at Tahoe Vista, CA.

A handwritten signature in black ink, appearing to read "E. Schwarzrock".

---

Eric Schwarzrock

Liberty Utilities (CalPeco Electric) LLC

President

**Attachment E**

**List of Shared Officers and Directors Between Liberty Utilities  
(CalPeco Electric) LLC and Its Affiliates**

**List of Shared Officers and Directors Between Liberty Utilities (CalPeco Electric) LLC and Its Affiliates**

Liberty Utilities (CalPeco Electric) LLC ("CalPeco") is a California Limited Liability Company and, as such, does not have a Board of Directors.

The managers of CalPeco are:

- Brian Chin – Class I Manager
- C. Robert Stump - Class II Manager
- Timothy Simon – Class II Manager
- Brian Thomas - Class II Manager

The officers of CalPeco are:

- Eric Schwarzrock – President
- Crystal Greene – Secretary and Treasurer

The following chart identifies each of CalPeco’s affiliates in which, Brian Chin, C. Robert Stump, Timothy Simon, Brian Thomas, Eric Schwarzrock and Crystal Greene, is an officer, or manager.

COMPANY NAME:	OFFICERS & DIRECTORS/MANAGERS:
2379565 Alberta ULC	N/A
3793257 Canada Inc.	N/A
AAH Holdings Ltd.	N/A
Algonquin Auxiliary Services Canada Inc.	N/A
<b>Algonquin Airlink Inc. –</b> This entity is in our files as a Non-Algonquin entity; Ontario public records also shows the entity is inactive since March 8, 2021	
Algonquin Power & Utilities Corp.	N/A
Algonquin Power (Long Sault) Corporation Inc.	N/A

Algonquin Power (Ontario Transmission) Inc.	N/A
Bermuda Sustainability Holdings Ltd	-N/A
Bermuda Sustainability Midco Ltd	-N/A
Blue Duchess Holdco ULC (fka Blue Duchess Co. Inc.)	N/A
Blue Duchess Co. Limited	N/A
Davis Road (GP) Inc.	N/A
Donnacona Holdings Inc.	<b>N/A</b>
Energy Acquisition Inc.	<b>N/A</b>
Glenford Minority Inc.	<b>N/A</b>
Green Duchess Co. Limited	<b>N/A</b>
Liberty Development Canada Inc.	
Liberty Group Limited	<b>N/A</b>
NR-Algonquin Energy Management Inc.	N/A
Valley Power Corp.	<b>N/A</b>
Warwick (Canada) Corp.	N/A
Liberty Energy Utilities (New Hampshire) Corp.	N/A
Liberty Utilities (America) Co.	<b>N/A</b>
Liberty Utilities (America) Holdco Inc.	N/A

Liberty Utilities (America) Holdings, LLC	N/A
Liberty Utilities (Apple Valley Ranchos Water) Co.	<b>Brian Chin:</b> Class I Director <b>Timothy Simon:</b> Class II Director <b>C. Robert Stump:</b> Class II Director <b>Brian Thomas:</b> Class II Director <b>N/A:</b> President <b>Crystal Greene:</b> Chief Financial Officer
Liberty Utilities (Arkansas Water) Corp.	<b>Brian Chin:</b> Class I Director
December 31, 2025 - This entity was merged with and into Liberty Utilities (Rio Rico Water & Sewer) Corp)	
December 31, 2025 - This entity was merged with and into Liberty Utilities (Rio Rico Water & Sewer) Corp)	
Liberty Utilities (Black Mountain Sewer) Corp.	<b>Brian Chin:</b> Class I Director <b>C. Robert Stump:</b> Class II Director <b>Timothy Simon:</b> Class II Director <b>Brian Thomas:</b> Class II Director <b>Crystal Greene:</b> Secretary and Treasurer
Liberty Utilities (Canada) Corp.	N/A

Liberty Utilities (Canada) GP Inc.	N/A
December 31, 2025 - This entity was merged with and into Liberty Utilities (Rio Rico Water & Sewer) Corp)	
Liberty Utilities (Central) Co.	<b>Brian Chin:</b> Class I Director N/A
Liberty Utilities (Eastern Water Holdings) Corp.	N/A
Liberty Utilities (EnergyNorth Natural Gas) Corp.	<b>Brian Chin:</b> Class I Director
Liberty Utilities (Fox River Water) LLC	<b>Brian Chin</b> Class I Manager
Liberty Utilities (Gas New Brunswick) Corp.	N/A
Liberty Utilities (Gold Canyon Sewer) Corp.	<b>Brian Chin:</b> Class I Director <b>Timothy Simon:</b> Class II Director <b>C. Robert Stump:</b> Class II Director <b>Brian Thomas:</b> Class II Director <b>Crystal Greene:</b> Secretary and Treasurer
Liberty Utilities (Granite State Electric) Corp.	<b>Brian Chin:</b> Class I Director

Liberty Utilities (Litchfield Park Water & Sewer) Corp.	<b>Brian Chin:</b> Class I Director <b>Timothy Simon:</b> Class II Director <b>C. Robert Stump:</b> Class II Director <b>Brian Thomas:</b> Class II Director <b>Crystal Greene:</b> Secretary & Treasurer
Liberty Utilities (Luning Holdings) LLC	<b>Eric Schwarzrock:</b> President <b>Todd Wiley:</b> Secretary & Treasurer
Liberty Utilities (Midstates Natural Gas) Corp.	<b>Brian Chin:</b> Class I Director
Liberty Utilities (Missouri Water) LLC	<b>Brian Chin:</b> Class I Manager
Liberty Utilities (New England Natural Gas Company) Corp.	<b>Brian Chin:</b> Class I Director
Liberty Utilities (New York Water) Corp.	<b>Brian Chin:</b> Class I Director
Liberty Utilities (Northwest Sewer) Corp.	<b>Timothy Simon:</b> Class II Director <b>C. Robert Stump:</b> Class II Director <b>Brian Thomas:</b> Class II Director <b>Crystal Greene:</b> Secretary & Treasurer
Liberty Utilities (Park Water) Corp.	<b>Brian Chin:</b> Class I Director <b>Timothy Simon:</b> Class II Director <b>C. Robert Stump:</b> Class II Director <b>Brian Thomas:</b> Class II Director <b>Crystal Greene:</b> Chief Financial Officer
Liberty Utilities (Peach State Natural Gas) Corp.	<b>Brian Chin:</b> Class I Director

Liberty Utilities (Pine Bluff Water) Inc.	<b>Brian Chin:</b> Class I Director
Liberty Utilities (Pipeline & Transmission) Corp.	N/A
Liberty Utilities (AZ Consolidated) Corp (f/k/a Liberty Utilities (Rio Rico Water & Sewer) Corp.)  December 31, 2025 - This entity merged with Liberty Utilities (Beardsley Water) Corp., Liberty Utilities (Bella Vista Water) Corp. and Liberty Utilities (Cordes Lakes Water) Corp. After the merger, the entity changed its name to Liberty Utilities (AZ Consolidated) Corp	<b>Brian Chin:</b> Class I Director <b>Timothy Simon:</b> Class II Director <b>C. Robert Stump:</b> Class II Director <b>Brian Thomas:</b> Class II Director <b>Crystal Greene:</b> Secretary & Treasurer
Liberty Utilities (Seaside Water) LLC	<b>Brian Chin:</b> Class I Director <b>Timothy Simon:</b> Class II Director <b>C. Robert Stump:</b> Class II Director <b>Brian Thomas:</b> Class II Director <b>Crystal Greene:</b> Secretary & Treasurer
Liberty Utilities (St. Lawrence Gas) Corp.	<b>Brian Chin:</b> Class I Director
Liberty Utilities (St. Lawrence Gas Service & Merchandising) Corp.	<b>Brian Chin:</b> Class I Director
Liberty Utilities (Silverleaf Water) LLC	<b>Brian Chin:</b> Class I Director <b>Timothy Simon:</b> Class II Director <b>C. Robert Stump:</b> Class II Director <b>Brian Thomas:</b> Class II Director <b>Crystal Greene:</b> Secretary & Treasurer
Liberty Utilities (Sub) Corp.	N/A

Liberty Utilities (Tall Timbers Sewer) Corp.	<b>Brian Chin:</b> Class I Director <b>Timothy Simon:</b> Class II Director <b>C. Robert Stump:</b> Class II Director <b>Brian Thomas:</b> Class II Director <b>Crystal Greene:</b> Secretary & Treasurer
Liberty Utilities (Tinker Transmission GP) Inc.	<b>N/A:</b>
Liberty Utilities (Turquoise Holdings) LLC	<b>Eric Schwarzrock:</b> President <b>Todd Wiley:</b> Secretary and Treasurer
Liberty Utilities (Wataynikaneyap Transmission) GP Inc.	<b>N/A</b>
Liberty Utilities (Woodmark Sewer) Corp.	<b>Brian Chin:</b> Class I Director <b>Timothy Simon:</b> Class II Director <b>C. Robert Stump:</b> Class II Director <b>Brian Thomas:</b> Class II Director <b>Crystal Greene:</b> Secretary & Treasurer
Liberty Utilities Co.	<i>N/A</i>
Liberty Utilities Energy Solutions (Appliance) Corp.	<b>Vacant:</b> Director & President
Liberty Utilities Energy Solutions (CNG) Corp.	<b>Vacant:</b> Director & President
Liberty Utilities Energy Solutions (LNG) Corp.	<b>Vacant:</b> Director & President
Liberty Utilities Energy Solutions (Solar) Corp.	<b>Vacant:</b> Director & President

Liberty Utilities Energy Solutions (Solar1) Corp.	<b>Vacant:</b> Director & President
Liberty Utilities Energy Solutions Corp.	<b>Vacant:</b> Director & President
Liberty Utilities Finance (US) LLC	<b>N/A</b>
Liberty Utilities Finance ULC	<b>N/A</b>
Liberty Utilities Finance (BC 2) ULC	<b>N/A</b>
Liberty Utilities Finance 2012 (Canada) ULC	<b>N/A</b>
Liberty Utilities Finance GP1	<b>N/A</b>
Liberty Utilities Finance GP2	<b>N/A</b>
Liberty Utilities Service Corp.	<b>N/A</b>
Luning Energy LLC	<b>Eric Schwarzrock:</b> President <b>Todd Wiley:</b> Vice President, Secretary & Treasurer
Western Water Holdings, LLC	<b>N/A</b>
The Empire District Electric Company	<b>Brian Chin:</b> Class I Director
The Empire District Gas Company	<b>Brian Chin:</b> Class I Director
Empire District Industries Inc.	<b>Brian Chin:</b> Class I Director

Turquoise Liberty Projectco LLC

**Eric Schwarzrock:** President  
**Todd Wiley:** Secretary & Treasurer

Liberty Utilities (CalPeco Electric) LLC  
Advice Letter Filing Service List  
General Order 96-B, Section 4.3

**VIA EMAIL**

epoole@adplaw.com;  
cem@newsdata.com;  
rmccann@umich.edu;  
bhodgeusa@yahoo.com;  
cem@newsdata.com;  
dietrichlaw2@earthlink.net;  
ejanssen@b2energylaw.com;  
abrown@b2energylaw.com;  
bbiering@b2energylaw.com;  
plumascoco@gmail.com;  
marshall@psln.com;  
stephenhollabaugh@tdpud.org;  
gross@portersimon.com;  
mccluretahoe@yahoo.com;  
catherine.mazzeo@swgas.com;  
SDG&ETariffs@semprautilities.com;  
bcragg@downeybrand.com;  
AdviceTariffManager@sce.com;  
edtariffunit@cpuc.ca.gov;  
jrw@cpuc.ca.gov;

tlg@cpuc.ca.gov;  
dao@cpuc.ca.gov;  
kjl@cpuc.ca.gov;  
usrb@cpuc.ca.gov;  
vidhyaprabhakaran@dwt.com;  
judypau@dwt.com;  
dwtcpucdockets@dwt.com;  
dan.marsh@libertyutilities.com;  
sharon.yang@libertyutilities.com;  
ginge@regintl.com;  
christopher.westling@cpuc.ca.gov;  
sletton@cityofslt.us;  
sacksyboy@yahoo.com;  
xian.li@cpuc.ca.gov;  
Candace.Morey@cpuc.ca.gov;  
mts@cpuc.ca.gov  
Brent.ValenciaSantos@libertyutilities.com  
AnnMarie.Sanchez@libertyutilities.com  
Christina.Pak@libertyutilities.com  
eramos@tahoedailytribune.com



# ADVICE LETTER SUMMARY

## ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Liberty Utilities (CalPeco Electric) LLC (U-933-E)

Utility type:

- ELC       GAS       WATER  
 PLC       HEAT

Contact Person: Elly O'Doherty

Phone #: 530-721-2435

E-mail: Elly.Odoherty@libertyutilities.com

E-mail Disposition Notice to: AnnMarie.Sanchez@libertyutilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas      WATER = Water  
 PLC = Pipeline      HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 292-E

Tier Designation: 1

Subject of AL: 2025 Affiliate Transaction Compliance Plan

Keywords (choose from CPUC listing): Affiliate

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.97-12-088

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: N/A

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

Confidential treatment requested?  Yes  No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required?  Yes  No

Requested effective date: 7/1/26

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: N/A

<sup>1</sup>Discuss in AL if more space is needed.

**Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:**

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102  
Email: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Name: Elly O'Doherty  
Title: Manager, Rates and Regulatory Affairs  
Utility Name: Liberty Utilities (CalPeco Electric) LLC  
Address: 9750 Washburn Road  
City: Downey State: California  
Telephone (xxx) xxx-xxxx: 530-807-8987  
Facsimile (xxx) xxx-xxxx:  
Email: [Elly.Odoherty@libertyutilities.com](mailto:Elly.Odoherty@libertyutilities.com)

Name: AnnMarie Sanchez  
Title: Coordinator  
Utility Name: Liberty Utilities (California)  
Address: 9750 Washburn Road  
City: Downey State: California  
Telephone (xxx) xxx-xxxx: 562-923-0711  
Facsimile (xxx) xxx-xxxx:  
Email: [AnnMarie.Sanchez@libertyutilities.com](mailto:AnnMarie.Sanchez@libertyutilities.com)

## ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	