



BUSINESS PLAN 2009-2012

ALBERTA UTILITIES COMMISSION

The Alberta Utilities Commission (AUC or the Commission) is an independent, quasi-judicial agency of the Government of Alberta that ensures the delivery of Alberta's utility services takes place in a manner that is fair, responsible, and in the public interest. The AUC regulates investor owned electric, natural gas and water utilities, as well as some municipally owned electric utilities, to ensure Albertans receive safe and reliable utility service at reasonable rates.

The AUC is responsible for making timely decisions on the siting of major natural gas and electricity transmission facilities, as well as power plants. The AUC also makes rules relating to the operation of the retail natural gas and electricity markets, and adjudicates on market and operational rule contraventions that the Market Surveillance Administrator may bring before the AUC.

While the Minister of Energy is responsible for the AUC, it makes formal decisions independently in accordance with relevant statutes and regulations. The AUC's operations are funded 100% by industry.

VISION

The Alberta Utilities Commission is a trusted leader that delivers innovative and efficient regulatory solutions for Alberta.

WHAT WE DO

The Alberta Utilities Commission regulates the utilities sector, natural gas and electricity markets to protect social, economic and environmental interests of Alberta where competitive market forces do not.

HOW WE DO IT

The Alberta Utilities Commission is fair, open and transparent in its regulatory processes and delivers sound principled decisions.

VALUES

- We are impartial and objective.
- We are accountable and strive for excellence in everything we do.
- We treat everyone with dignity and respect.
- We maintain and promote a positive work environment.

STRATEGIC PRIORITIES

This business plan sets out for 2009-2012 the fundamental long term initiatives and ongoing adjudicative work that are central to the AUC's regulation of the utility and market sectors of Alberta's economy. In it we have established objectives for our organization, strategies we will employ to achieve the objectives and measure to determine if we have succeeded in meeting the objective.

The following strategic priorities focus our work for this planning period and beyond:

PUBLIC CONFIDENCE

We will enhance public confidence in the Commission's regulation by improving our regulatory processes to ensure they are effective, efficient, open and transparent.

PRINCIPLED DECISIONS

We will provide timely, principled decisions and ensure that the public interest is considered in every application that comes before us.

INNOVATION

We will focus on developing new and innovative approaches to traditional regulation.

CORE BUSINESSES

MARKETS

The Commission provides expert analysis of energy markets, market performance and market data while supporting an adjudicative forum to ensure market integrity.

FACILITIES

The Commission ensures that facilities within its jurisdiction are sited, built, operated and decommissioned in an efficient and environmentally responsible manner.

RATE REGULATION

The Commission regulates investor-owned natural gas, electric and water utilities to ensure customers receive safe and reliable service at just and reasonable rates.

OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES

OBJECTIVE **1** MARKETS

Ensure market rules are fairly applied, competitive markets are supported and competitive rules and principles are enforced where necessary.

Strategies

- 1.1 Identify and describe the individual statutory provisions the Commission exercises in relation to its various adjudicative market functions.
- 1.2 Continue to build expertise and adjudicative processes for market proceedings.
- 1.3 Enact, establish and communicate roles and responsibilities with respect to new and existing rules and engage AUC stakeholders on market developments.
- 1.4 Constructively participate in Alberta Electric System Operator rule development and revision processes.
- 1.5 Develop and update codes, rules and other regulatory instruments that support the operation of competitive markets for natural gas and electricity including rules regarding advanced metering, energy efficiency and conservation programs.

Performance Measures

- 1.a 100% of decisions are issued within 90 days after the conclusion of a hearing or other proceeding.
- 1.b 75% of Market Surveillance Administrator proceedings reach hearing stage within 60 days of completed application.
- 1.c 75% of objection and complaint applications reach hearing stage within 75 days of completed application.
- 1.d The AUC will establish a Markets Regulatory Advisory Committee and deliver four sessions by March 31, 2010.
- 1.e 80% of participants in markets proceedings indicate they understand the hearing process based on the average of the individual survey results from each hearing.
- 1.f Version 1.2 of AUC Rule 021 (Settlement System Code) issued and implemented with an effective date of January 1, 2010.
- 1.g 100% of decisions issued within 30 days after the close of record for micro-generation disputes.
- 1.h Revisions to AUC Rules 002, 003, 019 and 025 delivered for approval of the Commission by March 31, 2010.

OBJECTIVE **2** FACILITIES

Ensure meaningful participation, understanding and public confidence in the impartiality and transparency of the Commission for review and oversight of energy projects.

Strategies:

- 2.1 Identify and describe the individual statutory provisions the Commission exercises in relation to its various facility approval or hearing functions.
- 2.2 Review and update rules that add clarity and certainty to the requirements and responsibilities of applicants and interveners in the following areas:
 - Notification and consultation.
 - Quality of the application and submissions.
 - Procedures and conduct in the hearing room.
- 2.3 Acquire resources and revise processes as required to fulfill the AUC's responsibilities arising from the provincial Energy Strategy.
- 2.4 Evaluate the AUC's needs regarding enforcement, surveillance, and a compliance program, and implement a solution as required.
- 2.5 Enhance communications tools, such as stakeholder/landowner information sessions and the AUC website, to explain and enable participation in Commission proceedings.
- 2.6 Evaluate and implement changes that will improve the effectiveness and efficiency of the AUC's processing of facility applications.

Performance Measures

- 2.a 100% of decisions for all applications are issued within 90 days of the hearing conclusion.
- 2.b The AUC will determine 100% of needs and facility applications within 180 days of the application being deemed complete.
- 2.c 100% of application response letters are sent within 15 working days of the application being filed.
- 2.d The AUC will conduct a minimum of one Information session for each major facility application.
- 2.e 80% of facility applications processed within established timelines (effective October 1, 2009).

2.f	Hearing participants indicate they understand the needs and facilities application's process.	Target 2009/10	Target 2010/11	Target 2011/12
		70%	75%	80%
2.g	Participants indicate that they were treated fairly.	Target 2009/10	Target 2010/11	Target 2011/12
		Establish Baseline	Baseline plus improvement to be determined	

OBJECTIVE **3** RATE REGULATION

Ensure rate making responsibilities are carried out in a principled, effective and efficient manner.

Strategies

- 3.1 Identify and describe the individual statutory provisions the Commission exercises in relation to its various rate approval or hearing functions.
- 3.2 Improve regulatory efficiency and certainty by establishing principles through generic proceedings, and employ rule making as an alternative to litigation where appropriate.
- 3.3 Explore alternatives to water utility regulation.
- 3.4 Evaluate and implement changes that will improve the effectiveness and efficiency of the AUC's processing of rate applications.

Performance Measures

- 3.a 100% of decisions for all applications are issued within 90 days of the hearing conclusion.
- 3.b 100% of application response letters are sent within 15 working days of the application being filed.
- 3.c 80% of rate applications are processed within established timelines.
- 3.d 90% of audit work completed within established timelines.

OBJECTIVE **4** ORGANIZATION

Promote excellence, learning and communication throughout the AUC.

Strategies

- 4.1 Continue to implement employee recruitment, selection and retention programs.
- 4.2 Strive to satisfy top 100 employer status criteria and make application for consideration.
- 4.3 Enhance AUC information systems and controls to support business operations.
- 4.4 Ensure cost controls and compliance with financial policies.
- 4.5 Ensure effective and efficient governance within the AUC.
- 4.6 Implement a communications plan that facilitates understanding and respectful communication and contributes to enhancing trust and confidence in the AUC and its processes.
- 4.7 Manage workplace infrastructure.

Performance Measures

- 4.a The employee engagement index as measured in the Corporate Employee Survey is greater than 74%.
- 4.b The quality of work environment index as measured in the Corporate Employee Survey is greater than 78%.
- 4.c The internal communications effectiveness Index as measured in the Corporate Employee Survey is greater than 60%.
- 4.d Regrettable staff turnover is less than 5%.
- 4.e 75% of all AUC employees invest 12 hours, or more, per year on professional development.
- 4.f 90% of requests for information from Customer Information Services are fulfilled within one working day.
- 4.g 95% of complaints are responded to within one working day.
- 4.h AUC stakeholders are able to access AUC business systems 95% of the time on business days between 7:00am and 7:00pm.