

Bulletin 2024-15

August 1, 2024

Notification of changes to Rule 032

The Alberta Utilities Commission (AUC) approved amendments to [Rule 032: Specified Penalties for Contravention of AUC Rules](#), on June 19, 2024.

AUC Enforcement staff administer specified penalties through authority delegated by the AUC. AUC Enforcement staff apply discretion to determine whether to impose a specified penalty where a contravention has occurred, meaning that not all contraventions automatically result in a specified penalty. For example, inadvertent or self-reported contraventions are less likely to result in a specified penalty in contrast to contraventions where a contravention comes to AUC Enforcement staff's attention through a complaint.

As set out in further detail in the paragraphs that follow, the amendments to Rule 032 increase the penalties for contraventions as well as the credit given to parties that self-report. The amendments also make more contraventions eligible to be addressed by a specified penalty, as opposed to an enforcement proceeding conducted under sections 8 and 63 of the *Alberta Utilities Commission Act*.

1 More contraventions are now eligible to be addressed by a specified penalty

The amendments now allow specified penalties to be imposed for contraventions of:

- (a) Rule 001: *Rules of Practice*, Section 30.7. This section concerns confidentiality orders issued by the Alberta Utilities Commission;
- (b) Rule 012: *Noise Control*, sections 1.3, 2, 3.4 and 5.1(2). A specified penalty can be issued under Rule 032 where a person:
 - (i) Contravenes the permissible sound level set out in Section 1.3;
 - (ii) Fails to determine the permissible sound level in accordance with section 2, among other things;
 - (iii) Fails to keep all supporting information relating to a noise impact assessment; or
 - (iv) Fails to conduct a comprehensive sound level survey to determined compliance with Rule 012.

The penalty for contraventions of Rule 012 is \$3,000 for each day the contravention continues or \$6,000 for each day the contravention continues for the second contravention by a person in a calendar year;

(c) Commission decisions or orders made under:

- (i) Sections 9, 11, 13.01(1), 14(1), 14(2), 15, 17(1), 18(2) and 19(1) of the *Hydro and Electric Energy Act* relating to the construction, extension, relocation, alteration, connection, or operation of hydro developments, power plants, energy storage facilities and transmission lines;
- (ii) Section 2 of the *Hydro and Electric Energy Regulation* relating to the approval of alterations to power plants, energy storage facilities, transmission lines or electric distribution systems;
- (iii) Sections 6(1), 9(1), 10(1), 11, 12, 16(1), 23 and 33(1) of the *Pipeline Act* relating to the approval of the construction, operation, discontinuance, abandonment, alteration, relocation or a change to a pipeline or part thereof; and
- (iv) Sections 80(b), 80(c), 88(a), 88(d) and 88(e) of the *Public Utilities Act* relating to the improvement of service or commodity carried by a public utility or the tolls or charges for that service, the disallowance of tolls or charges made by a public utility, the schedules of a public utility's rates, tolls, fares or charges to be filed with the Commission, financial reports that must be periodically furnished to the Commission and the maintenance of proper depreciation methods and accounts.

The penalty for contraventions of commission decisions or orders made under these sections is \$5,000 for a first contravention in a calendar year or \$10,000 for a second contravention in a calendar year.

2 Increase of penalties for non-compliance

The amendments to Rule 032 simplify the penalty table and increase the penalties for contraventions subject to Rule 032, except in cases where an administrative penalty may be more appropriate. A comparison of the amounts of the penalties is provided below:

	Contravention in a calendar quarter		
	First	Second to fifth	Sixth or more
Current Rule 032	\$500	\$1,000	\$2,500
Amended Rule 032	\$2,000	\$3,000	\$5,000

3 Increases the credit given to those who self-report

Finally, the credit given to parties that self-report contraventions has increased to 80 per cent. from 50 per cent.

Any questions related to this bulletin may be directed to Parvez Khan at parvez.khan@auc.ab.ca.