

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE FEDERAL ENERGY REGULATORY COMMISSION (UNITED STATES)
AND
MARKET SURVEILLANCE ADMINISTRATOR (ALBERTA, CANADA)**

Purpose

1. The Federal Energy Regulatory Commission (FERC) has exclusive jurisdiction in the United States over, among other things, the transmission of electric energy in interstate U.S. commerce and the sale of electric energy at wholesale in interstate commerce by public utilities, as described in section 201 of the *Federal Power Act* (FPA), 16 U.S.C. § 824; and the transportation of natural gas in interstate commerce and certain sales in interstate commerce of natural gas for resale as set forth in section 1 of the *Natural Gas Act* (NGA), 15 U.S.C. § 717, and section 601(a) of the *Natural Gas Policy Act* (NGPA), 15 U.S.C. § 3431(a); certain other transportation and sales of natural gas authorized pursuant to section 311 of the NGPA, 15 U.S.C. § 3371.
2. The Market Surveillance Administrator (MSA) is an independent public agency established by the Government of Alberta under the *Alberta Utilities Commission Act* (SA 2007, c A-37.2) with the responsibility to protect and promote the fair, efficient and openly competitive operation of Alberta's wholesale electricity market and its retail electricity and natural gas markets. The MSA has monitoring, investigative and enforcement roles within the electricity and natural gas markets pursuant to the *Alberta Utilities Commission Act*, the *Electric Utilities Act* (SA 2003, c E-5.1), the *Gas Utilities Act* (SA 2000, c G-5) and associated regulations.
3. In recognition of the regulatory responsibilities and common interests of both FERC and the MSA and the benefits to both organizations that result from sharing information about the markets they oversee and their regulatory experiences and practices, FERC and the MSA hereby declare their intent to cooperate and share information pursuant to this Memorandum of Understanding (MOU).

Cooperation

4. Cooperation under this MOU may include, but is not limited to, the following:
 - a. Sharing by the MSA, at FERC's request, of information related to:
 - i. The MSA's monitoring and investigative processes and methods;
 - ii. The MSA's market monitoring and oversight activities, including, but not

- limited to, staff insights and analyses; and
- iii. Specific market participants and their observed activities in Alberta's natural gas and electricity markets.
- b. Sharing by FERC, at the MSA's request, of information related to:
- i. FERC's monitoring and investigative processes and methods;
 - ii. FERC's market monitoring and oversight activities, including, but not limited to, staff insights and analyses; and
 - iii. Specific market participants and their observed activities in the FERC-jurisdictional U.S. natural gas and electricity markets.
- c. Mutual assistance to monitor/enforce compliance of applicable laws and regulations of the United States, Canada, and/or Alberta, including the provision of information on potential breaches of legislation administered by the respective agency.
- d. Notification of any activities by one agency, including compliance and enforcement activities, that may be materially relevant to the other agency's role and mandate in a timely manner.
- e. Discussion of energy issues of mutual interest related to the United States and Alberta energy markets.
- f. Joint visits that could include FERC, the MSA, and other regulatory entities.
- g. Meetings, webinars, workshops, teleconferences, training activities, and/or email exchanges.

Information and intelligence sharing

- 5. Each agency is subject to legal and other statutory obligations of confidentiality, which govern the disclosure and use of confidential information. The participants recognize that they should only share and exchange information as permitted by law and the relevant statutory provisions under which each operates.
- 6. FERC and the MSA recognize that in the course of an agency carrying out its functions and exercising its powers, it may come into possession of information which would, if provided to the other participant, be likely to materially assist the other agency in administering or enforcing the particular laws for which that

agency is responsible. Each participant, subject to statutory obligations, should endeavor to notify the other agency in a timely manner of the existence of such information, notwithstanding that it may not have received a request from the other agency for such information.

7. FERC and the MSA acknowledge that any information furnished in accordance with this MOU should be kept confidential and non-public, and should not be disclosed or made available to any other person except pursuant to the applicable laws and regulations of the United States and Alberta and with notice to the other participant, or by consent of the participants to this MOU where applicable.
8. If any data or other information furnished in accordance with this MOU is subsequently requested by a third party to be disclosed or otherwise produced, the participant receiving the request should consult with the participant that furnished the information prior to responding to the third-party request.
9. Each participant acknowledges that disclosure of information furnished in accordance with this MOU may be required, authorized or permitted by law.

Miscellaneous

10. This MOU is not intended to be a binding contract enforceable in a court of law or in an administrative forum, and it is not intended to impose any legal commitments on FERC or the MSA. It is intended only to establish a process for further cooperation between the independent public agencies signing this document.
11. Nothing contained in this MOU requires either FERC or the MSA to take any action that would be inconsistent with any existing or future laws, regulations, and policy directives applicable to it.
12. FERC and the MSA, unless otherwise decided upon, would bear their own respective shares of financial costs of participating in the activities under this MOU. All activities are subject to approval of funding by each participant involved.

Contacts

13. Each agency hereby designates the following individuals as liaison contact officers for the purpose of communication and exchange of information between the participants. These contacts may be changed at each agency's discretion upon written notice to the other participant.

FERC: Director and/or Deputy Director of the Office of Enforcement

MSA: Legal Counsel, Secretary and FOIP Coordinator

Term and applicability of this MOU

- 14. This MOU becomes operative when signed by each of the participants hereto.
- 15. This MOU will be reviewed within five (5) years of the date of signing. This MOU may be modified at any time by the mutual written consent of the participants. During this period, the participants should make good-faith efforts to resolve any disagreement.
- 16. FERC or the MSA may discontinue cooperation under the MOU at any time, but should endeavor to provide thirty (30) days written notice to the other.

Signatories

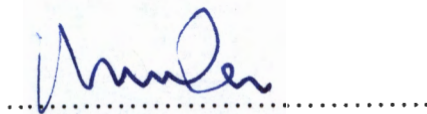
Federal Energy Regulatory Commission by:


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Cheryl A. LaFleur
Acting Chairman

Date: 2/26/14

Market Surveillance Administrator by:


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Harry Chandler
Market Surveillance Administrator

Date: February 27, 2014