



April 26, 2023

Alberta Utilities Commission

Eau Claire Tower,
1400, 600-3 Avenue SW
Calgary, Alberta T2P 0G5

**Re: Direct Energy Regulated Services Inter-Affiliate Code of Conduct & Compliance
Plan
Annual Compliance Report for 2022**

Enclosed is the Annual Compliance Report for Direct Energy Regulated Services Inter-Affiliate Code of Conduct and Compliance Plan (DERS IACC & CP) for 2022. This report was approved by the Board of Directors of Direct Energy Marketing Limited in accordance with section 3.1.1 (2) of the DERS IACC&CP.

If you have any questions concerning the enclosed, please contact Kevin Thompson at 587-434-4073.

Yours sincerely,

Tanis Kozak

Vice President, Product GM Canada



DIRECT ENERGY REGULATED SERVICES

INTER-AFFILIATE CODE OF CONDUCT
COMPLIANCE REPORT

2022

**Pursuant to Section 7.6 of the Direct Energy Regulated Services Inter-Affiliate
Code of Conduct and Compliance Plan (AUC Decision 26370-D01-2021) (the “Code”)**

1.0 INTRODUCTION

The Code requires the Compliance Officer for Direct Energy Regulated Services (“DERS”) to perform an annual review of compliance with the Compliance Plan and to prepare an annual compliance report (“Compliance Report”) containing the information required in section 7.6. The Report is to be filed with the Alberta Utilities Commission (“the Commission”) within 120 days of the fiscal year end of the Utility with respect to the immediately preceding fiscal year. This Compliance Report is from January 1, 2022 to December 31, 2022 (the “Reporting Period”) for the Direct Energy Regulated Services fiscal year.

This Compliance Report includes the following information for the Reporting Period:

- a) a copy of the Compliance Plan and any amendments thereto;
- b) a business structure chart for the Utility and its Affiliates indicating relationships and ownership percentages;
- c) a list of all Affiliates with whom the Utility transacted business, including business addresses, a list of the Affiliates’ officers and directors, and a description of the Affiliates’ business activities;
- d) a list of all Services Agreements in effect at any time during such period;
- e) an overall assessment of compliance with the Code by the Utility, including compliance by the directors, officers, employees, consultants, contractors and agents of the Utility and by Affiliates of the Utility with respect to the interactions of the Affiliates with the Utility;
- f) an assessment of the effectiveness of the Compliance Plan and any recommendations for modifications thereto;
- g) in the event of any material non-compliance with the Code, a comprehensive description thereof and an explanation of all steps taken to correct such non-compliance;
- h) subject to the confidentiality provisions of section 8.1 hereof, a summary of disputes, complaints and inquiry activity during the year;
- i) a list and detailed description of all Major Transactions between the Utility and its Affiliates;
- j) an Affiliated Party Transactions Summary;

- k) a Shared Employee Report;
- l) an Asset Transfer Report;
- m) a summary description together with an estimated aggregate value for each Occasional Service provided by the Utility to an Affiliate and by Affiliates to the Utility;
- n) a summary list of any exemptions granted to this Code or exceptions utilized, including the exception for emergency services;
- o) a list of all employee transfers, temporary assignments and secondments between the Utility and its Affiliates, detailing specifics as to purpose, dates and duration of such employee movements; and
- p) two certificates, each in the form attached as Appendix 12 attached to this Code, attesting to completeness of the Compliance Report and compliance with the Code, one certificate signed by the Compliance Officer and a second certificate signed by the highest-ranking operating officer of the Utility.

2.0 DIRECT ENERGY REGULATED SERVICES COMPLIANCE REPORT

a) The Direct Energy Regulated Services Compliance Plan

A copy of Direct Energy Regulated Services' approved Compliance Plan is included in Appendix 1.

b) Business Structure Chart

A Business Structure chart is attached as Appendix 2. This organization chart reflects the corporate ownership structure of DERS which existed during the Reporting Period.

c) List of Affiliates

A list of all Affiliates with whom the Utility transacted business during the Reporting Period is attached as Appendix 3 to this Compliance Report. Appendix 3 includes the business addresses, a list of the Affiliates' officers and directors, and a description of the Affiliates' business activities.

d) List of Service Agreements

Appendix 4 to this Compliance Report contains a list of all service agreements between the Utility and its Affiliates which were in effect during the Reporting Period.

e) Overall Assessment of Compliance with the Code

The Utility has provided training and information to employees, consultants, contractors, agents

and directors regarding the Code. The Utility believes these efforts are effective in developing each person's awareness of their responsibility to perform duties in ways supportive of the Code.

f) Assessment of Compliance Plan Effectiveness

The Code and Compliance Plan were developed to:

- a) Prevent utilities from cross-subsidizing affiliate activities;
- b) Protect confidential customer information collected in the course of providing utility services;
- c) Ensure affiliates and their customers do not have preferential access to utility services; and
- d) Avoid uncompetitive practices between utilities and their affiliates, as they may be detrimental to the interests of utility customers.

The Compliance Plan describes the measures Direct Energy Regulated Services will take with regards to the communication, education and review of Code requirements to achieve this purpose. These measures have been supported in the Compliance Plan through specific actions and procedures designed to ensure that Direct Energy Regulated Services' Affiliate business transactions comply with all aspects of the Code. Direct Energy Regulated Services has implemented these measures and has not received any complaints, inquiries or disputes with respect to the Code from internal or external parties regarding the application of or compliance with Code provisions, other than as described herein.

g) Comprehensive Description of any Material Non-Compliance with the Code

The Utility has complied with the Code requirements and confirms that there have been no incidents of what DERS believes to be material non-compliance with the Code during the Reporting Period.

h) Summary of Disputes, Complaints and Inquiry Activity

The Utility has not received any internal or external disputes, complaints or inquiries with respect to the application of, and alleged non-compliance with, the Code during the Reporting Period.

i) List and Description of all Major Transactions between the Utility and Affiliates

A list of the Utility's Major Transactions with Affiliates during the Reporting Period is attached in Appendix 5.

j) Affiliated Party Transaction Summary

A summary overview of the types of transactions provided between the Utility and its Affiliates containing a general description of the transactions and services, the parties involved, and the approximate aggregate value is attached as Appendix 6.

k) Shared Employee Report

A list of shared employees is contained in Appendix 7.

l) Asset Transfers Report

A list of asset transfers is contained in Appendix 8.

m) Summary Description for Occasional Services provided by the Utility to an Affiliate and by Affiliates to the Utility

Descriptions of Occasional Services with estimated aggregate value for each Occasional Service provided by the Utility to an Affiliate and by Affiliates to the Utility are contained in Appendix 9.

n) Summary List of Exemptions to the Code

A list of exemptions granted to the Code or exceptions utilized is contained in Appendix 10.

o) List of Employee Transfers, Temporary Assignments and Secondments Between the Utility and its Affiliates

A list of Utility employees who were transferred, temporarily assigned or seconded to an Affiliate during the Reporting Period is contained in Appendix 11.

p) Certificates Attesting to Completeness of the Compliance Report and Compliance with the Code

Two Officer's Certificates, one signed by the Compliance Officer and one signed by the highest-ranking operating officer of the Utility, attesting to the completeness of the Report and compliance with the Code, are attached as Appendix 12.

3.0 CONCLUSION

The Utility continues to operate its business separately and independently from its Affiliates. The Utility's business model reflects the principles of the Inter-Affiliate Code of Conduct and is consistent with the Code's spirit and intent. The Utility believes that it has materially complied with and operated within the provisions, spirit and intent of the Code.

This Report will be posted on the Utility's website.

APPENDIX 1

A copy of the Compliance Plan is attached.

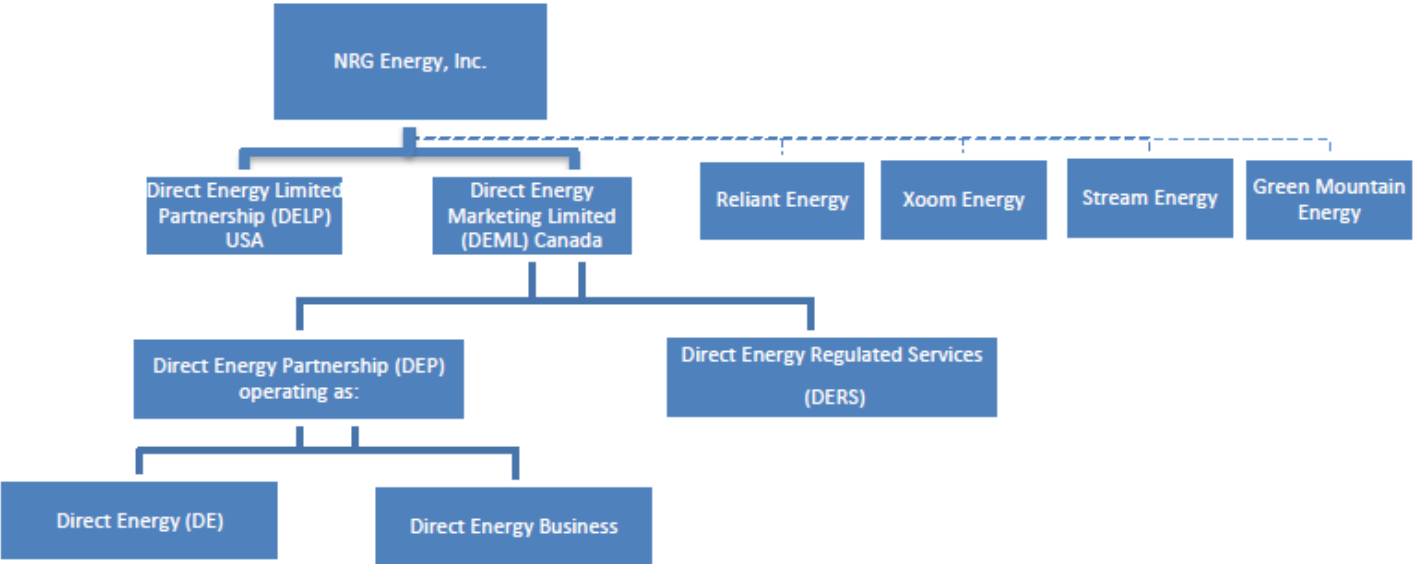


DERS Inter-Affiliate
Code of Conduct an



APPENDIX 2

Business Structure Chart



APPENDIX 3

List of Affiliates with Whom the Utility Transacted Business

Description: A list of all Affiliates with whom the Utility transacted business in the Reporting Period, including business addresses, a list of the Affiliates' officers and directors, and a description of the Affiliates' business activities.

NRG Energy, Inc.

910 Louisiana Street
Houston, TX 77002
United States

Officers:

Name	Title
Fornaro, Alberto	Executive Vice President and Chief Financial Officer
Chung, Bruce	Executive Vice President
Curci, Brian	Executive Vice President
Gaudette, Robert J.	Executive Vice President
Killinger, Elizabeth	Executive Vice President
Moser, Chris	Head of Competitive Markets and Policy
Picarello, Emily	Corporate Controller

Description of Business Activities: NRG Energy, Inc. provides electricity, natural gas, and home services for residential and commercial customers in the United States' operating numerous retail brands. It sources, generates, trades, and supplies energy; sells natural gas and electricity to small, medium, and larger national businesses, as well as public institutions and government entities; retails electricity and natural gas for residential and commercial customers; provides commercial and residential heating, ventilation, and air conditioning installation services; provides solar installation services; designs, installs, services, and repairs electrical systems and parts; and home repair services.

Direct Energy, LP

910 Louisiana Street

Houston, TX 77002

United States

Officers:

Name	Title
Elizabeth R. Killinger	President
Ryan Sullivan	Treasurer
Kevin L. Cole	Vice President
Meigs S. Jones	Vice President
Louis A. Teuscher	Vice President
Paolo Berard	Secretary
Deborah R. Fry	Assistant Secretary
Maria DeLeon	Assistant Secretary

Description of Business Activities: Direct Energy, LP provides electricity, natural gas, and home services for residential and commercial customers in the United States.

APPENDIX 4

List of Services Agreements

The following Services Agreements in effect during the Reporting Period:

1. Inter-Affiliate Agreement between Direct Energy Regulated Services and Direct Energy Limited Partnership
2. Corporate Services Agreement between Direct Energy Regulated Services and NRG Energy, Inc.

APPENDIX 5

Description of Major Transactions

The following is a list of all Major transactions between the Utility and an Affiliate:

1. Corporate services costs between NRG Energy, Inc. and Direct Energy Regulated Services
2. Customer Care and Billing costs between Direct Energy Limited Partnership and Direct Energy Regulated Services

APPENDIX 6

Affiliate Party Transactions Summary

There were no Affiliate Party Transactions for the reporting period.

APPENDIX 7

Shared Employee Report

Internal Position Name	Business Unit	Affiliate
President, Home	NRG Home	NRG
Executive Assistant, President Home	NRG Home	NRG
Alberta Back Office Manager	NRG Home	NRG
Director, Alberta Regulated Accounting	NRG Home	NRG
Manager Systems Development	NRG Home	NRG
Digital Marketing Analyst	NRG Home	NRG
Product Owner, Digital	NRG Home	NRG

APPENDIX 8

Asset Transfer Report

There were no asset transfers between the Utility and its Affiliates for the reporting period.

APPENDIX 9

Summary Description of Occasional Services provided to/from an Affiliate

Occasional Services Obtained from Direct Energy Limited Partnership

Description	Sum of Hours	DERS%	DERS Hours	Total Cost
Technical Document Review and Testing				
DERS	21	100%	21	\$2, 816.94
DERS/DE	168	62%	104.16	\$13,972.02
DE	205	0%	0	
Total			125.16	\$16,788.96

APPENDIX 10

List of Exemptions to the Code

There were no exemptions to the Code during the reporting period.

APPENDIX 11

Employee Transfers, Temporary Assignments and Secondments Between the Utility and its Affiliates

There were no employee transfers, temporary assignments or secondments between the Utility and its Affiliates during the reporting period.

APPENDIX 12

Officer's Certificates

See attached certificates.

SCHEDULE A – OFFICERS CERTIFICATE

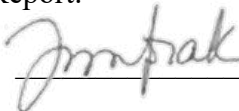
OFFICER'S CERTIFICATE

To: The Alberta Utilities Commission

I, Tanis Kozak of the City of Edmonton, in the Province of Alberta, acting in my position as an officer of Direct Energy Regulated Services (the Utility), a business unit of Direct Energy Marketing Limited and not in my personal capacity, to the best of my knowledge do hereby certify as follows:

1. My position with the Utility is Vice President, Product GM Canada, and as such I have personal knowledge of, or have conducted due inquiry of individuals who have personal knowledge of, the facts and matters herein stated.
2. Capitalized terms used herein (which are not otherwise defined herein) shall have the meanings ascribed thereto in the Direct Energy Regulated Services Inter-Affiliate Code of Conduct (the Code).
3. I have read the Code, the Compliance Plan of the Utility dated August 19, 2021 and the Compliance Report of the Utility dated April 21, 2023.
4. The form and contents of the Compliance Report comply with the requirements of the Code and the matters reported therein are fully and accurately described.
5. I am not aware of any material non-compliance with the provisions of the Code by any director, officer, employee, consultant, contractor or agent of the Utility, or by any Affiliate of the Utility (including any director, officer, employee, consultant, contractor or agent of the Affiliate) with respect to the any interaction between an Affiliate and the Utility that is not fully and accurately described in the Compliance Report.

Signature: _____



Name: Tanis Kozak

Title: Vice President, Product GM Canada

Date: April 26, 2023

SCHEDULE A – OFFICERS CERTIFICATE

OFFICER'S CERTIFICATE

To: The Alberta Utilities Commission

I, Lori Armstrong of the City of Calgary, in the Province of Alberta, acting in my capacity as Compliance Officer of Direct Energy Regulated Services (the Utility), a business unit of Direct Energy Marketing Limited and not in my personal capacity, to the best of my knowledge do hereby certify as follows:

1. My position with the Utility is Senior Commercial Director and Compliance, and as such I have personal knowledge of, or have conducted due inquiry of individuals who have personal knowledge of, the facts and matters herein stated.
2. Capitalized terms used herein (which are not otherwise defined herein) shall have the meanings ascribed thereto in the Direct Energy Regulated Services Inter-Affiliate Code of Conduct (the Code).
3. I have read the Code, the Compliance Plan of the Utility dated August 19, 2021 and the Compliance Report of the Utility dated April 21, 2023.
4. The form and contents of the Compliance Report comply with the requirements of the Code and the matters reported therein are fully and accurately described.
5. I am not aware of any material non-compliance with the provisions of the Code by any director, officer, employee, consultant, contractor or agent of the Utility, or by any Affiliate of the Utility (including any director, officer, employee, consultant, contractor or agent of the Affiliate) with respect to the any interaction between an Affiliate and the Utility that is not fully and accurately described in the Compliance Report.

Signature: 

Name: Lori Armstrong

Title: Senior Commercial Director and Compliance

Date: April 25, 2023