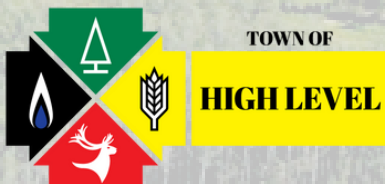


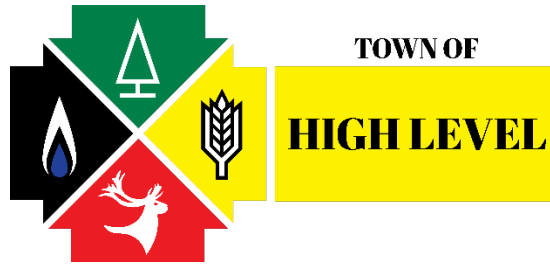
**MARCH 24, 2025
7:00 P.M.**

TOWN OF HIGH LEVEL REGULAR MEETING OF COUNCIL

**COUNCIL CHAMBERS
10203 105 AVENUE
HIGH LEVEL, AB**

**“We foster a thriving community that
enhances our quality of life through
sustainable planning, economic
prosperity and inclusion”**





Regular Open Council Meeting Agenda

Monday, March 24th, 2025, at 7:00 p.m.

in the Council Chambers, Town Hall, 10203-105th Avenue, High Level, AB

Electronic Participation via YouTube. The YouTube link for this meeting is:

<https://youtube.com/live/CkiDbTL8wzY?feature=share>

The Town of High Level Mayor and Council acknowledge Treaty 8 Territory - the traditional and ancestral territory of the Cree and Dene.

We acknowledge that this territory is home to the Métis Settlements and the Métis Nation of Alberta, Regions 1, 4, 5 and 6 within the historical Northwest Métis Homeland.

We acknowledge the many First Nations, Métis and Inuit who have lived in and cared for these lands for generations.

We are grateful for the traditional Knowledge Keepers and Elders who are still with us today and those who have gone before us.

We make this acknowledgement as an act of reconciliation and gratitude to those whose territory we reside on or are visiting.

1. **CALL TO ORDER**
2. **ADOPTION OF MEETING AGENDA**
 - 2.1. Adoption of Meeting Agenda

THAT the Regular Open Council meeting agenda for March 10th, 2025, BE ADOPTED.

3. **DELEGATIONS**

There are no delegations scheduled for this meeting.

4. **ADOPTION OF MINUTES**

- 4.1 Minutes of the Regular Open Council Meeting held February 24th, 2025, for adoption.

THAT the Minutes of Regular Open Council meeting held February 24th, 2025, BE ADOPTED.

5. **DELEGATION BUSINESS**

6. **MAYOR'S REPORT**

- 6.1. Mayor McAteer's Report February 24th, 2025 - March 24th, 2025

THAT Council RECEIVE Mayor McAteer's report for the period of February 25th, 2025, to March 24th, 2025, for information.

7. **COUNCIL COMMITTEE REPORTS**

- 7.1. Council Reports

THAT Council RECEIVE the Council Reports from Deputy Mayor Langford, Councillor Anderson, Councillor Jessiman, Councillor Lambert, Councillor Liboiron, and Councillor Welke for the period of February 25th, 2025, to March 24th, 2025, for information.

Deputy Mayor Langford:

Councillor Anderson:

Councillor Jessiman:

Councillor Lambert:

Councillor Liboiron:

Councillor Welke

8. ADMINISTRATIVE REPORTS

8.1. CAO Report - Verbal

THAT Council RECEIVE CAO Thoss' report for the period of February 25th, 2025, to March 24th, 2025, for information.

9. ADMINISTRATIVE ENQUIRIES

9.1 Making Housing Easier to Build - ToHL Land Use Bylaw Project

That Council RECEIVE the report titled "Making Housing Easier to Build – ToHL Land Use Bylaw Project," submitted by Logan Bartholow, Director of Planning and Development, for information.

9.2 Town of High Level Branding Options

THAT based on the report titled “Town of High Level Branding Options,” submitted by Logan Bartholow, Director of Planning and Development, Council CONSIDER one of the proposed options.

9.3 Preparations for the 2025 Municipal Election

That Council DIRECT the Returning Officer to draft a proposed Elections Procedure Bylaw, reflecting current legislative requirements and best practices, for consideration at the regular open council meeting scheduled for April 28, 2025.

10. OLD BUSINESS

11. NEW BUSINESS

12. CORRESPONDENCE FOR ACTION

12.1 Correspondence for Action

THAT the items of correspondence for action be received.

- 2025 Apex Utilities - Renewal of Natural Gas Distribution System Franchise Agreement

13. CORRESPONDENCE FOR INFORMATION

13.1. Correspondence for Information

THAT the items of correspondence for information be received.

- **Honourable Minister Ric McIver - Budget 2025**
- **NAEL - Nuclear Power Plant Information**

13.2 Internal Correspondence

THAT the items of internal correspondence be received.

- **Community Services Departmental Monthly Report - Feb 2025**
- **Planning & Dev. - Dept. Monthly Report - February 2025**
- **Protective Services - Dept. Monthly Report - February 2025**

13.3. Outgoing Correspondence

THAT the items of outgoing correspondence be acknowledged.

- **Town of High Level's Letter to Premier Smith: Requesting Support for Alberta's Forest Industry Amid Trade Barriers**

14. NOTICES OF MOTION

15. QUESTION PERIOD

16. RECESS TO IN-CAMERA MEETING

17. RECONVENE OPEN MEETING

18. IN-CAMERA ITEMS

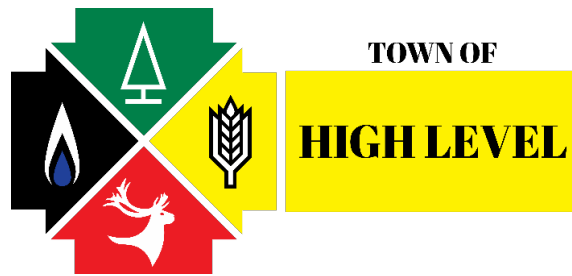
19. ADJOURNMENT

THAT there being no further business of the Regular Open Council meeting, it be adjourned.

CALL TO ORDER

ADOPTION OF AGENDA

APPROVAL OF MINUTES



Minutes of the Regular Open Council Meeting held **March 10th, 2025, at 7:00 p.m.**
in the Council Chambers, Town Hall, 10203-105th Avenue, High Level, AB

In Attendance:

Council: Mayor Crystal McAteer
Councillor Brent Anderson
Councillor Terry Jessiman
Councillor Josh Lambert
Councillor Mark Liboiron
Councillor Jan Welke

Staff: Viv Thoss, Chief Administrative Officer
Logan Bartholow, Director of Planning & Development
Jena-Raye Clarke, Director of Community Services
Rodney Schmidt, Director of Emergency Services
Keith Straub, Director of Operations
Bill Schnarr, Communications Coordinator
Aya Balmores, Relief Legislative & Executive Assistant

Regrets: Deputy Mayor Boyd Langford

1. CALL TO ORDER

Mayor McAteer called the meeting to order at 7:00 p.m.

2. ADOPTION OF MEETING AGENDA

2.1. Adoption of Meeting Agenda

Moved by Councillor Liboiron

057-25 THAT the Regular Open Council meeting agenda for March 10th, 2025, BE ADOPTED.

Carried

3. DELEGATIONS

There were no delegations scheduled for this meeting.

4. ADOPTION OF MINUTES

4.1. Minutes of the Regular Open Council Meeting held February 24th, 2025, for adoption.

Moved by Councillor Lambert

058-25 THAT the Minutes of Regular Open Council meeting held February 24th, 2025, BE ADOPTED.

Carried

5. MAYOR'S REPORT

5.1. Mayor McAteer's Report February 25th, 2025 - March 10th, 2025

Moved by Councillor Anderson

059-25 THAT Council RECEIVE Mayor McAteer's report for the period of February 24th, 2025, to March 10th, 2025, for information.

Carried

6. COUNCIL COMMITTEE REPORTS

6.1. Council Reports

Moved by Councillor Welke

060-25 THAT Council RECEIVE the Council Reports from Deputy Mayor Langford, Councillor Anderson, Councillor Jessiman, Councillor Lambert, Councillor Liboiron, and Councillor Welke for the period of February 11th, 2025, to February 24TH, 2025, for information.

Carried

Deputy Mayor Langford:

Not in attendance

Councillor Anderson:

Feb. 26 – Golden Range Society

Feb. 24 – High Level Library Board

Mar. 6-7 – 2025 Spring Municipal Leaders' Caucus

Councillor Jessiman:

Nothing to Report

Councillor Lambert:

Mar. 4 – High Level Chamber of Commerce

Councillor Liboiron:

Feb. 27 – High Level Library Board

Councillor Welke:

Feb. 25 – Northwest Regional FASD Society

7. ADMINISTRATIVE REPORTS

7.1. CAO Report – Verbal

Moved by Councillor Liboiron

061-25 THAT Council RECEIVE CAO Thoss' report for the period of February 25th, 2025, to March 10th, 2025, for information.

Carried

8. ADMINISTRATIVE ENQUIRIES

8.1 Municipal Library Board Financial Reviewer

Moved by Councillor Liboiron

062-25 THAT Council APPOINT Debbie McCann as the Returning Officer for the 2025 municipal election to be held October 20, 2025.

Carried

8.2 Municipal Library Board Financial Reviewer

Moved by Councillor Anderson

063-25 THAT Council APPOINT Doyle and Company Chartered Professional Accountants as the financial reviewer for the High Level Municipal Library Board for the fiscal years 2024 and 2025.

Carried

8.3 High Level Municipal Library Board Appointments

Moved by Councillor Liboiron

064-25 THAT Council APPOINT Lydia Watters and Taryn McAskile to the Town of High Level Library Board for a term expiring December 10, 2026.

Carried

8.4 2025 Operating Budget & 2025-2027 Operating Budget

Moved by Councillor Jessiman

**065-25 That Council ADOPT the 2025 Operating Budget as presented;
AND THAT Council RECEIVE the 2025-2027 Operating Budget for information.**

Carried

9. OLD BUSINESS

There were no old business items brought forward.

10. NEW BUSINESS

There were no new business items brought forward.

11. CORRESPONDENCE FOR ACTION

There were no items of correspondence for action.

12. CORRESPONDENCE FOR INFORMATION

12.1. Correspondence for Information

Moved by Councillor Anderson

066-25 THAT Council RECEIVE correspondence for information.

- **REDI Meeting Minutes – November 2024**
- **Minister Letter to Chief Elected Officials**
- **Minister signed Letter AR118277**

Carried

12.2. Outgoing Correspondence

Moved by Councillor Welke

067-25 THAT the item of outgoing correspondence BE ACKNOWLEDGED.

Carried

- Mackenzie Regional Landfill – Letter of Support

13. NOTICES OF MOTION

There were no notices of motion brought forward.

14. QUESTION PERIOD

There was no one in gallery attendance that wished to speak.

15. IN CAMERA ITEMS

16. ADJOURNMENT

Moved by Councillor Lambert

068-25 THAT the being no further business of the Regular Open Council meeting, it BE ADJOURNED.

Carried

THE REGULAR OPEN COUNCIL MEETING ADJOURNED AT 7:48 P.M.

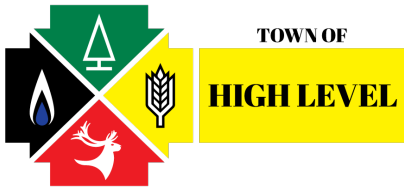
MAYOR

CHIEF ADMINISTRATIVE OFFICER

MAYOR'S REPORT

COUNCIL COMMITTEE REPORTS

ADMINISTRATIVE ENQUIRIES



**Town of High Level
Regular Council Meeting
Request for Decision**

Meeting Date: March 24, 2025
Prepared By: Logan Bartholow, Director of Planning & Development
Subject: Making Housing Easier to Build - Land Use Bylaw Project

Recommendation:

That Council accept the report as information.

CAO Comments:

I support the recommendation.

Background:

June 2024

- On June 10th, Council directs Administration to complete a Housing Needs Assessment and to prepare a new Housing Accelerator Fund (HAF) application for an expected future round.

September 2024

- On September 9th, Council directs Administration to submit an application to the second round of the HAF as presented by Administration (Attachment 1).

December 2024

- The Canada Mortgage and Housing Corporation (CMHC) informs the Town of High Level that they were successful in their application and is offered \$1,672,139.90 in funding over the next 4 years to complete the submitted action plan.

January 2024

- On January 13th, Council directs Administration to enter into a formal funding agreement with CMHC.

March 2024

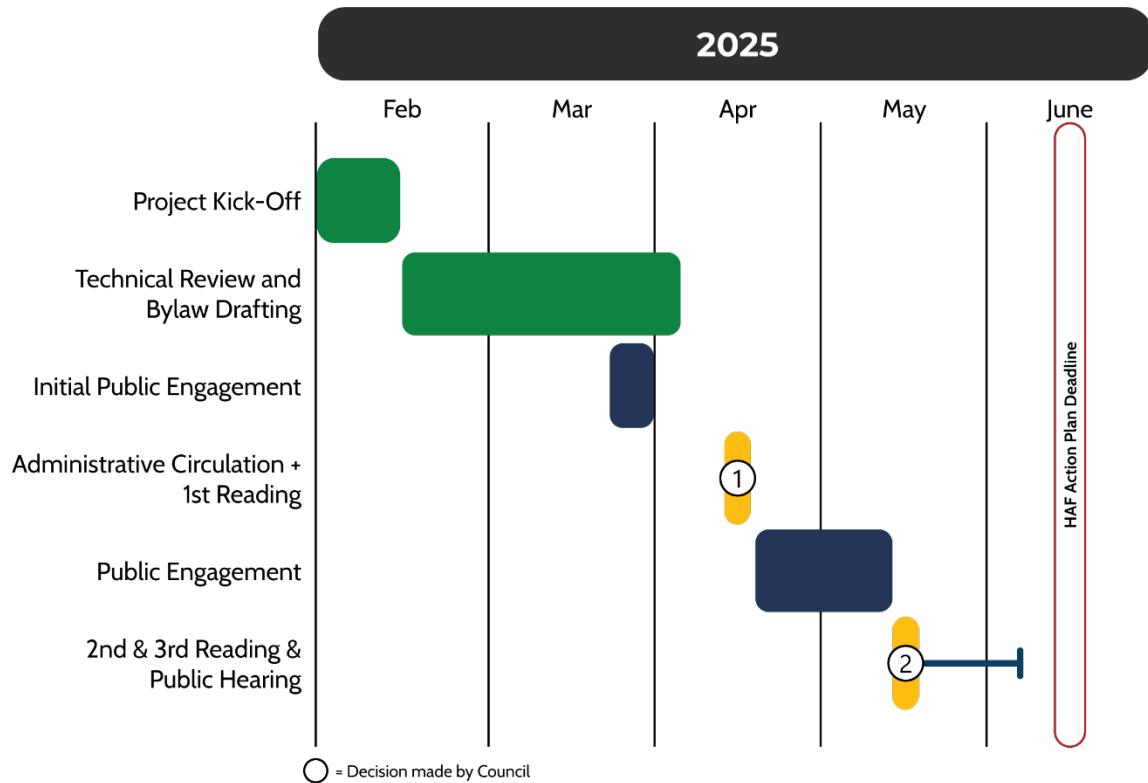
- CMHC makes a public announcement regarding the HAF funding supplied to the Town of High Level.

Action Plan Summary

- The action plan submitted by the Town includes six distinct initiatives, in addition to a commitment to complete a Housing Needs Assessment:
 1. **Zoning Reform of Residential Land Use Districts:** Allowing secondary suites, duplexes, and townhouses/multi-units in more residential areas; removing unit caps on multi-unit developments; and increasing building height allowances.
 - Additional land use bylaw amendments over what was included in the Town's HAF Action Plan will also be proposed where it makes sense to provide further flexibility in housing construction.
 2. **Making Building Easier:** Implementing more flexible regulations for parking, lot size, setbacks, density, and other site layout factors to incentivize denser site layouts and reduce burdensome restrictions.
 - Additional land use bylaw amendments over what was included in the Town's HAF Action Plan will also be proposed where it makes sense to provide further flexibility in housing construction.
 3. **Improving Development & Approval Processes:** Streamlining development permit processes with e-permitting, priority review, pre-approval options, and more.
 4. **Improving Data Access:** Enhancing website navigation, implementing an open infrastructure data portal, and conducting GIS work to improve planning data.
 5. **Multi-Unit and Secondary Suite Incentive Program:** Offering financial incentives for secondary suites and multi-unit developments, including preferences for affordable housing projects.
 6. **Renewal of Current Statutory Plans:** Conducting a full renewal of the Town's statutory plans, including updating the Municipal Development Plan, amending/creating residential-focused Area Structure Plans, and creating new Area Redevelopment Plans.

Discussion:

- Initiatives 1 & 2 will require Land Use Bylaw Amendments, and Administration has hired a consultant to assist in preparing the amendments due to the rapid timeline committed to in the Town's HAF Action Plan.
- To meet this deadline, Administration is working on the current timeline:



- If Council is comfortable with this timeline, Administration will advertise the project and its intent to the public ahead of 1st reading (scheduled for April 14th, 2025), and following 1st reading will send mail notices to all residents informing them of the draft bylaw. Additionally, a public open house will be held where members of the community can learn more about the project ahead of 2nd reading (scheduled for May 12th, 2025).
- The HAF deadline to complete these two initiatives is June 12th, giving this project a buffer of approximately 1 month should further refinements need to be made between 2nd and 3rd reading.

Financial:

- The Town of High Level has been awarded \$1,672,139.90 through the HAF program.
- The funding will be distributed over three years in four equal payments of \$418,034.98.
- The funds must be used to implement the initiatives outlined in the Town's HAF Action Plan. Any unused funds may be allocated to community investments that support additional housing growth.
- **Estimated expenses for Initiatives 1 and 2: \$61,750.00.**

Council Options:

1. That Council accept the report as information.
2. That Council provide alternative direction to Administration.

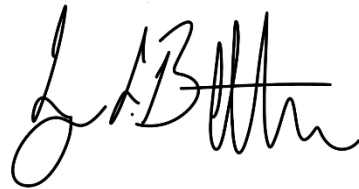
Attachments:

Attachment 1 – Town of High Level HAF Action Plan Summary

Approvals:



CAO, Viv Thoss



**Author: Logan Bartholow,
Director of Planning &
Development**

HAF Initiative Summary

Initiative 1: Zoning Reform of Residential Land Use Districts

Commitment/Description:

The proposed initiative aims to increase housing flexibility and density across residential districts by broadening permitted uses and reducing restrictions. The following zoning changes will be made, contingent upon approval through the processes legislated by the Municipal Government Act:

R-1 Low Density:

- Make DWELLING – DUPLEX and SECONDARY SUITES a permitted use. Clarify the SECONDARY SUITE definition to explicitly allow basement suites, garage suites, and garden suites.
- Make Townhouses and multi-unit developments permitted up to 4-units on all corner lots.
- Allow DWELLING – MULTI UNITS to have a shared entrance rather than require separate entrances for each unit

R-2 Medium Density:

- Make SECONDARY SUITES a permitted use. Clarify the SECONDARY SUITE definition to explicitly allow basement suites, garage suites, and garden suites.
- Remove the unit cap on Townhouses in the R-2 land use district
- Make DWELLING – MULTIPLE UNIT a permitted use up to 8 units per lot
- Allow DWELLING – MULTI UNITS to have a shared entrance rather than require separate entrances for each unit

R-3 High Density:

- Remove the unit cap on apartment buildings
- Change building height maximum from 4 stories to 6 stories
- Allow DWELLING – MULTI UNITS to have a shared entrance rather than require separate entrances for each unit

Milestones/Deadlines:

Milestone Name	Estimated Start Date	Estimated Completion Date ↑	Description
Project Initiated	2025-01-01	2025-02-15	This milestone will involve internal reviews and drafting of the amendment to the Town's Land Use Bylaw.
Council Approval Process	2025-02-17	2025-06-12	Amending the Land Use Bylaw requires 1st, 2nd, and 3rd reading, as well as a public hearing. To support this public hearing, public engagement will be conducted to tailor the approach as needed.

Initiative 2: Making Building Easier

Commitment/Description:

The town will reduce minimums and increase maximums of various metrics in all residential land use districts to create greater flexibility. The Town is committed to at least a 25% relaxation in all of the following regulations and will explore further relaxations for each land use district and use as appropriate:

- Parking minimums for multi-family developments
- Lot area minimums for all types of developments, with greater flexibility for multi-family developments
- Lot width minimums
- Setback minimums
- Specifically reduce setback minimums for garden and garage suites by at least 50% and to 1m when abutting a rear lane.
- Minimum floor area
- Maximum lot coverage
- Density Maximums
- Sight triangle distances along low-volume roads

This will make the rules around site layout and composition more flexible resulting in more units per lot for multi-family developments, and greater density in lower density residential neighbourhoods.

Milestones/Deadlines:

Milestone Name	Estimated Start Date	Estimated Completion Date ↑	Description
Project Initiation	2025-01-01	2025-02-28	A consultant will be procured to analyze the development requirements currently within the Town's Land Use Bylaw and then suggestion relaxations as committed to within this initiative, and in alignment with the Alberta Building Codes.
Council Approval	2025-02-28	2025-06-14	Amending the Town's Land Use Bylaw ultimate requires 1st, 2nd, and 3rd reading as well as a public hearing. A public engagement process will be implemented to support the public hearing.

Initiative 3: Improving Development & Approval Processes

Commitment/Description:

The initiative aims to streamline the permitting process with e-permitting, fee reductions, and pre-application consultations to support multi-unit and affordable housing projects. It also seeks to simplify applications, provide clear regulatory information, and facilitate approvals through quick-guides and pre-approval for federal design catalogue projects.

Specifically, the town is committed to implementing the following:

- An e-permitting process for all development permits with priority review for multi-unit developments and affordable housing providers.
- Improve permit application forms to only require the exact information needed.
- Implement an optional development inquiry process where developers can meet with staff to discuss their proposed projects prior to them submitting a development permit to help them understand the Town's regulations. Those that meet with the Town prior to submitting a development permit application will receive a 25% reduction in permit fees.
- Reduce permit fees for permitted uses that do not require variances.
- Create quick-guides for various types of residential development so that developers can more easily find the information they're looking for regarding Town regulations.
- Create a pre-approval process for developers utilizing the federal design catalogue.

Milestones/Deadlines:

Milestone Name	Estimated Start Date	Estimated Completion Date ↑	Description
Improvement of Internal Processes	2025-01-01	2025-04-30	Specific actions such as implementing an e-permitting process, improving permit application forms, implementing a development inquiry process and creating quick-guides can be completed internally without needing Council approval. All of these changes should be completed by early 2025.
Updated Fees Bylaw	2025-01-01	2025-04-30	Updating the Town's Fees Bylaw occurs each year during the budget process and is often completed by the end of January 2025.
Create Pre-Approval Process with Pre-Approved Designs Available for Public Use.	2025-01-01	2025-09-15	As the federal design catalogue becomes available, Town staff will work on pre-approving the designs for the appropriate land use districts. Pre-approval can be completed quickly once the designs are publicly available, and the Town will advertise on it's website, and during development inquiry meetings, that these designs are available and pre-approved.

Initiative 4: Improving Data Access & Development Knowledge

Commitment/Description:

The Town is committed to completing the following:

- Revamp the Town's Planning & Development webpages to improve navigation.
- Implement an open data portal for developers seeking public planning documents and GIS data such as infrastructure locations, cadastral data, and more.
- Additional GIS work will be done to improve understanding around various utilities within the Town's boundaries as well as water table/soil quality, and flood mapping to better pinpoint where new development may or may not be suitable. These findings will then be utilized for future work, including updating the Town's Municipal Development Plan and Land Use Districts.
- Update the Town's GIS WebMap to improve accuracy and measurements to improve application timelines and public knowledge. Provide a how-to-guide on how to utilize the Town's WebMap.

The goals and objectives are to improve access to planning information and GIS data through more readily available data, enhanced GIS data accuracy, and update planning frameworks.

Milestones/Deadlines:

Milestone Name	Estimated Start Date	Estimated Completion Date ↑	Description
Town Webpage Improvement	2025-01-01	2025-03-15	Work through the later part of December will be completed to improve the Town's Planning & Development webpages and a data portal will be created for developers.
Review and Implement GIS Improvements	2025-03-01	2025-12-14	A consultant will be brought on to review the Town's current GIS data, and will then be tasked with further improving this by cleaning up outdated files, identifying missing information and obtaining that from utility providers and/or other levels of government. Data that is not readily available will be captured through field work, or scoped for future projects. Following this work the Town will upload this data to the Town's webmap in a user friendly way, and a link will be clearly displayed on the Town's website and made available to the public and general public alike.

Initiative 5: Multi-Unit and Secondary Suite Incentive Program

Commitment/Description:

The Town will create two incentive programs with the goal of incentivizing the development of additional secondary suites and missing middle housing options. These incentive programs will directly benefit the other initiatives included within the Town's application and jumpstart development in the Town.

Secondary Suite Incentive:

- The town will create a new incentive program where secondary suites can receive \$10,000 per unit (owners of illegal suites built prior to 2024 can also apply to bring the unit into compliance, owners can have costs reimbursed up to \$10,000). New developments containing a secondary suite can receive an additional \$5,000 per unit.

Missing Middle Tax Incentive:

- The town will create a new incentive program where multi-family projects over 10 units can receive a tax cancellation for the year in which development occurs and the year following occupancy. Preference for the tax cancellation program will be given to those developing affordable housing, as defined by CMHC.

The intent is to make both of these incentives long-standing programs past the program period with funding after the program being provided through the municipal budget.

Milestones/Deadlines:

Milestone Name	Estimated Start Date	Estimated Completion Date ↑	Description
Development and Implementation of Incentives	2025-03-01	2025-05-15	Creation of policies to guide the incentives and development of application materials will be created through January and February. In late February the 2025 programs will open for applications. These programs will then be offered annually with the goal to extend the programs past the life of the HAF program.

Initiative 6: Renewal of Statutory Plans

Commitment/Description:

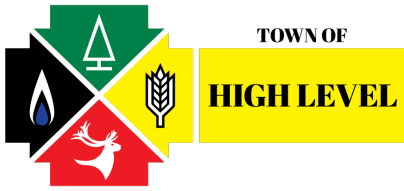
The Town's statutory planning documents are currently outdated. This initiative aims to fully renew all statutory plans, including the Municipal Development Plan, which has not been significantly updated in over 15 years. Additionally, the initiative will replace outdated Area Structure Plans and create new Area Redevelopment Plans as needed over the next three years.

This is a crucial step for the Town's long-term success. Each plan will be developed with a focus on housing to ensure that regulations, processes, and activities are continuously improved. This approach will help identify and address housing challenges early. After the review and renewal of the statutory plans, the Town will implement a continuous improvement process to keep the plans current and adaptable to changes in the housing market.

Another key aspect of these updates will be infrastructure planning and asset management. The initiative will ensure that the Town's infrastructure assets are properly repaired and upgraded as needed, preventing future development from being slowed or delayed due to inadequate infrastructure.

Milestones/Deadlines:

Milestone Name	Estimated Start Date	Estimated Completion Date ↑	Description
Initial Assessment	2024-10-01	2024-12-31	Evaluate current statutory plans and identify areas needing updates, including the Municipal Development Plan, Area Structure Plans, and Area Redevelopment Plans. Related non-statutory plans will also be evaluated depending on their level of impact to the Town's statutory plans.
Public Engagement	2025-01-01	2025-06-30	To kick the project off and ensure the public not only is informed about the project, but also has a voice in improving their community, the Town will procure a consultant to conduct extensive public engagement with both the general public, municipal staff, council, and targeted stakeholders such as indigenous groups, developers, realtors, affordable housing operators, and more.
Creation and Approval of Plans	2025-09-01	2027-09-01	With an assessment done and a bulk of the engagement completed, the Town will then work towards updating all of the Town's statutory plans over the next 2 years. There will be aspects of research, drafting, public consultation, and Council meetings for each of the Town's statutory plans, though a set schedule can not be identified until the initial assessment (first milestone) has been completed. All statutory plans will require 1st, 2nd, and 3rd reading, as well as a public hearing.



**Town of High Level
Regular Council Meeting
Request for Decision**

Meeting Date: February 24, 2025
Prepared By: Logan Bartholow, Director of Planning & Development
Subject: Town of High Level Branding Options

Recommendation:

That Council consider one of the proposed options.

CAO Comments:

I support the recommendation.

Background:

On October 28, 2024, Council directed the Administration to procure a consultant to create a new logo and brand design for the Town of High Level for Council's consideration.

North 43 Design was contracted in November to complete the project and has since developed four separate branding options for Council to consider, complete with logos, colour palettes, and main branding elements.

Discussion:

Administration is requesting that Council review the five options for branding which include:

- Option 1:** Maintain the Town's current branding.
- Option 2:** Revisioning of the Town's current branding.
- Option 3:** A new option with ties back to the Town's current branding.
- Option 4:** A new option focusing on High Level's adventurous side.
- Option 5:** A new option focusing on Northern Lights and other nature elements.

If Council decides to choose Option 1 and maintain the Town's current branding, the consultant will move on to creating a suite of new templates and digital materials, including new letterheads, business cards, report templates, etc. to support the Town's current branding and improve standardization within the organization.

If Council decides to choose one of the other options, the consultant will move on to creating a new suite of templates and digital materials. Additionally, Administration will begin working to replace vehicle decals, uniforms with the current branding, community signage, and more to fully transition Town operations to the new branding. This new branding will also be used in the design of wayfinding signs throughout the community.

Financial:

Administration has proposed a \$110,500 capital project in the 2025 Capital Budget to complete a potential branding change as outlined in the discussion. Any future funding needed to fully complete the transition will be brought forward for Council's consideration at the 2026 Capital Budget deliberations.

Administration will also work to ensure that one-use items, like printed letterheads with the Town's current branding, are only replaced once the current items are used. This will minimize the need for additional funding.

If Council chooses to maintain the Town's current branding then the proposed capital project will be cancelled.


Council Options:

1. That Council choose one of the presented options and direct Administration to begin transitioning the Town's branding to that option.
2. That Council direct Administration to bring some or all of the options back to the next scheduled Regular Council meeting with alterations.
3. That the Council direct Administration to maintain the Town's current branding.

Approvals:



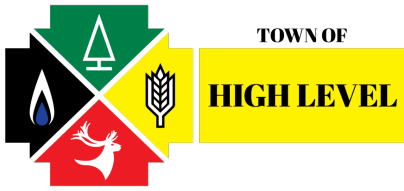
CAO, Viv Thoss



**Author: Logan Bartholow,
Director of Planning &
Development**

Attachments:

Town of High Level Branding Options



**Town of High Level
Regular Council Meeting
Request for Decision**

Meeting Date: March 24, 2025

Prepared By: Debbie McCann, Returning Officer

Subject: Preparations for the 2025 Municipal Election

Recommendation:

That Council DIRECT the Returning Officer to draft a proposed Elections Procedure Bylaw, reflecting current legislative requirements and best practices, for consideration at the regular open council meeting scheduled for April 28, 2025.

CAO Comments:

I support this recommendation.

Background:

At the regular open Council meeting on December 9, 2024, CAO Thoss informed Council that the *Municipal Affairs Statutes Amendment Act* (formerly Bill 20) had introduced changes to the *Local Authorities Election Act* (LAEA) and the *Municipal Government Act*. CAO Thoss asked if Council wished to amend its existing municipal election requirements in light of these changes. Council agreed that it did not want to require a criminal record check, change the candidate deposit amount from \$100 or limit donations to third-party advertisers, as candidates were not receiving donations beyond the legislative threshold of \$5,000.

Council believed that its current municipal election requirements were already in line with the new legislation, making further changes unnecessary. At that time, CAO Thoss had not yet reviewed the *Town of High Level Bylaw 973-17 Election Ballot Rotation Bylaw 2017*. Upon review, it was revealed that the bylaw was only valid for the 2017 election.

In 2020, Bylaw 730-00, which pertains to the municipal elections candidate deposit, was enacted and remains in force.

Discussion:

As we approach the 2025 General Election, it is crucial to ensure that our elections bylaw procedures are thoroughly reviewed and updated to reflect current legislative requirements and best practices. This preparation involves several key steps:

1. **Review of Existing Bylaws:** Conduct a comprehensive review of current election bylaws to identify any necessary amendments or updates. This includes aligning with recent changes in the LAEA and other relevant legislation.
2. **Incorporation of New Procedures:** Introduce and implement new procedures as required by recent legislative amendments and best practices. This includes establishing a permanent electors register in collaboration with Elections Alberta, creating general and advance voting procedures, and updating vote counting procedures, etc.
3. **Advance Voting Opportunity:** Determine to continue offering advance voting opportunities for electors who may not be able to vote on the general election day.
4. **Institutional Voting:** Decide to provide voting opportunities for individuals confined to treatment centers or residing in supportive living facilities.
5. **Voting Station Hours:** Determine and set the hours for voting stations, including considerations for early voting options to accommodate all voters.

By meticulously preparing and updating our elections bylaw procedures, we can ensure a smooth, transparent, and fair election process for the 2025 General Election.


Alternatives:

- Option 1: That Council DIRECT the Returning Officer to draft a proposed Elections Procedure Bylaw, reflecting current legislative requirements and best practices, for consideration at the regular open council meeting scheduled for April 28, 2025.
- Option 2: THAT Council request additional information regarding [specific item] and consider this item at a later date upon receipt of the requested information.
- Option 3: THAT Council direct Administration to take any other action deemed appropriate by Council.

Approvals:



CAO, Viv Thoss



**Author: Debbie McCann,
Returning Officer**

Attachments:

Town of High Level Bylaw 973-17 Election Ballot Rotation Bylaw 2017

Town of High Level Bylaw 730-00 Municipal Elections Candidate Deposit



MUNICIPALITY OF HIGH LEVEL BYLAW NO. 973-17

BEING A BYLAW IN THE MUNICIPALITY OF HIGH LEVEL IN THE PROVINCE OF ALBERTA TO PROVIDE FOR THE PRINTING OF BALLOTS IN LOTS FOR THE 2017 MUNICIPAL ELECTION.

Contents

1. Citation
2. Definitions
3. Printing of Ballots
4. Severance

PURPOSE

WHEREAS a general municipal election will be conducted in High Level during the year 2017; and

WHEREAS the Municipal Government Act, R.S.A. 2000, c. M-26 (hereinafter referred to as “the Act”), as amended, provides that a municipality may amend Bylaws, and

WHEREAS pursuant to the provisions of the Local Authorities Election Act (Alberta), R.S.A. 2000, Chapter L-21, s43, it is necessary that a municipal bylaw be passed not less than two months before an election to allow for the printing of ballots in lots providing for the rotation of the names of candidates;

NOW THEREFORE the Council of the Municipality of High Level, in the Province of Alberta, duly assembled, hereby enacts as follows:

1. Citation
 - 1.1 That this bylaw be cited as the “Election Ballot Rotation Bylaw 2017”.
2. Definitions
 - 2.1 In this bylaw:
 - 2.1.1 “Council” shall mean the Council of the Municipality of High Level;
 - 2.1.2 “Returning Officer” shall mean the person duly appointed to that position by Council for the 2017 municipal election.

3. Printing of Ballots

- 3.1 Council hereby directs the returning officer to ensure that ballots to be used during the 2017 municipal election shall be printed as follows:
- 3.1.1 each ballot shall contain the name of each candidate;
 - 3.1.2 the names of the candidates on each ballot shall be arranged alphabetically in order of the surnames and, if 2 or more candidates have the same surname, the names of those candidates shall be arranged alphabetically in the order of their given names.
 - 3.1.3 notwithstanding subsection (3.1.2), if an elected authority passes a bylaw 2 months before an election that provides that
 - 3.1.4 ballots shall be printed in as many lots as there are candidates for the office,
 - 3.1.5 in the first lot the names of the candidates shall appear in alphabetical order,
 - 3.1.6 in the 2nd lot the names shall appear in the same order, except that the first name in the first lot shall be placed last,
 - 3.1.7 in each succeeding lot, the order shall be the same as that of the preceding lot, except that the first name in the preceding lot shall be placed last, and
 - 3.1.8 tablets of ballots to be used at each voting station shall be made up by combining ballots from the different lots in regular rotation so that no 2 consecutive electors may receive ballot papers from the same lot and so that each candidate's name shall appear first and in each other position substantially the same number of times on the ballots used,

then the ballots used in an election while the bylaw is in force shall be in the form described in this subsection.

4. Severance

- 4.1 If any section of the bylaw is found to be invalid, it shall be severed from the remainder of the bylaw and shall not invalidate the whole bylaw.

READ A FIRST TIME this 16th day of August, 2017.

READ A SECOND TIME this 16th day of August, 2017.

READ A THIRD AND FINAL TIME this 16th day of August, 2017.

SIGNED AND PASSED this 16th day of August, 2017.

MAYOR

MUNICIPAL SECRETARY

**BYLAW NO. 730-00
OF THE
TOWN OF HIGH LEVEL
IN THE
PROVINCE OF ALBERTA**

OFFICE CONSOLIDATION

A BYLAW OF THE TOWN OF HIGH LEVEL TO REQUIRE EVERY NOMINATION TO BE ACCOMPANIED BY A DEPOSIT FOR ALL CANDIDATES FOR ELECTION TO THE TOWN OF HIGH LEVEL COUNCIL.

WHEREAS, under the provisions of the Local Authorities Election Act, being Chapter L-27.5 of the Revised Statutes of Alberta, 1994 and amendments thereto, provides that an elected authority may require every nomination to be accompanied by a deposit in the amount specified by by-law.

NOW THEREFORE, the Council of the Town of High Level in the Province of Alberta, DULY ASSEMBLED ENACTS AS FOLLOWS:

1. This By-law may be cited as the “Municipal Election Candidates Deposit By-law”.
2. Every nomination paper required by the Local Authorities Election Act which nominates a candidate for election as a member of the Council of the Town of High Level presented to the Returning Officer for the municipal election shall be accompanied by a deposit in the amount of \$100.00.
3. The deposit must be provided in cash, by certified cheque or cash order or money order payable to the Town of High Level.
4. This By-law shall come into force on the date passed.

READ A FIRST TIME this 8th day of May , 2000

READ A SECOND TIME this 8th day of May , 2000.

READ A THIRD TIME AND FINALLY PASSED this 22nd day of May , 2000.

(SIGNED)
Mayor

(SIGNED)
Chief Administrative Officer

NEW BUSINESS

CORRESPONDENCE FOR ACTION

March 21, 2025

Town of High Level
10511-103 Street
High Level AB, T0H 1Z0

Dear Mayor Crystal McAteer and Council,

RE: Renewal of Natural Gas Distribution System Franchise Agreement

Apex Utilities Inc. (AUI) currently holds the natural gas franchise for Town of High Level under an agreement effective October 1, 2015. This agreement, with a term of ten (10) years, is set to expire on September 30, 2025.

AUI invites the Town of High Level to discuss the renewal of this agreement and looks forward to continuing our collaboration.

Attached for your review are the following documents:

- A copy of the current franchise agreement.
- A copy of the Alberta Utilities Commission approved template.
- A summary of the renewal process.

Should you have any questions or concerns in the interim, please contact Irv Richelhoff at 780-980-7305 or via email at businessdevelopment@apexutilities.ca.

Sincerely,



Irv Richelhoff
Supervisor, Business Development

NATURAL GAS DISTRIBUTION SYSTEM FRANCHISE AGREEMENT

2014

BETWEEN:

Town of High Level

- AND -

AltaGas Utilities Inc.

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NATURAL GAS DISTRIBUTION SYSTEM FRANCHISE AGREEMENT

BETWEEN:

Town of High Level,
a municipality located in the Province of Alberta
(the "**Municipality**")

OF THE FIRST PART

– and –

AltaGas Utilities Inc.,
a corporation having its head office at the City of Leduc,
in the Province of Alberta
(the "**Company**")
OF THE SECOND PART

WHEREAS the Municipality desires to grant and the Company, collectively the "**Parties**", desires to obtain an exclusive franchise to provide Natural Gas Distribution Service within the Municipal Service Area on the terms and conditions herein contained;

NOW THEREFORE in consideration of the mutual covenants and promises herein contained, the Parties hereby agree as follows:

1) Definitions and Interpretation

Unless otherwise expressly provided in this Agreement, the words, phrases and expressions in this Agreement will have the meanings attributed to them as follows:

- a) "**Agreement**" means this Natural Gas Distribution System Franchise Agreement;
- b) "**Alternative Course of Action**" shall have the meaning set out in paragraph 14 (c);
- c) "**Commission**" means the Alberta Utilities Commission (AUC) as established under the *Alberta Utilities Commission Act* (Alberta);
- d) "**Company**" means the Party of the second part to this Agreement and includes its successors and permitted assigns;
- e) "**Construct**" means constructing, reconstructing, upgrading, extending, relocating, or removing any part of the Natural Gas Distribution System;

- f) **"Consumer"** or **"Consumers"** as the text may require, means any individual, group of individuals, firm or body corporate, including the Municipality, with premises or facilities located within the Municipal Service Area from time to time that are provided with Natural Gas Distribution Service by the Company pursuant to the Company's Delivery Tariff;
- g) **"Core Services"** means all those services set forth in Schedule "A" of this Agreement;
- h) **"Delivery Tariff"** means the rates and Terms and Conditions of service approved by the Commission from time to time on an interim or final basis, as the case may be, for the Company to deliver Natural Gas to the Consumer;
- i) **"Electronic Format"** means any document or other means of communication that is created, recorded, transmitted or stored in digital form or in any other intangible form by electronic, magnetic or optical means or by any other computer-related means that have similar capabilities for creation, recording, transmission or storage;
- j) **"Extra Services"** means those services set forth in Schedule "B" that are requested by the Municipality for itself or on behalf of its citizens and provided by the Company in accordance with paragraph 7 of this Agreement;
- k) **"GUA"** means the *Gas Utilities Act* (Alberta);
- l) **"Intended Time Frame"** shall have the meaning set out in paragraph 14 (c);
- m) **"Maintain"** means to maintain and keep in good repair any part of the Natural Gas Distribution System;
- n) **"Major Work"** means any Work to Construct or Maintain the Distribution System that costs more than Fifty thousand (\$ 50,000) Dollars;
- o) **"MGA"** means the *Municipal Government Act* (Alberta);
- p) **"Modified Plans"** shall have the meaning set out in paragraph 14 (c)(ii);
- q) **"Municipality"** means the Party of the first part to this Agreement;
- r) **"Municipal Compensation"** shall have the meaning set out in paragraph 20;
- s) **"Municipal Service Area"** means the geographical area within the legal boundaries of the Municipality where the Company has been granted rights hereunder in connection with, among other matters, Natural Gas Distribution Service, as altered from time to time;
- t) **"Municipal Property"** means all property, including lands and buildings, owned, controlled or managed by the Municipality within the Municipal Service Area;
- u) **"Natural Gas"** means a combustible mixture of hydrocarbon gases;

- v) **“Natural Gas Distribution Service”** means the delivery of Natural Gas in accordance with the Company’s Delivery Tariff;
- w) **“Natural Gas Distribution System”** means any facilities owned by the Company which are used to provide Natural Gas Distribution Service within the Municipal Service Area, and without limiting the generality of the foregoing, will include all mains, pipes, conduits, valves and all other installations used and required for the purpose of delivering Natural Gas to the Consumer within the Municipal Service Area and includes any Natural Gas transmission lines owned by the Company within the Municipal Service Area;
- x) **“NOVA Gas Transmission Ltd. (NGTL)”** means NGTL and its successors, as applicable, for purposes of paragraph 5 g) of this Agreement. For greater certainty, the provisions of paragraph 5 g) may only apply in relation to franchises held by ATCO;
- y) **“Operate”** means to operate the Natural Gas Distribution System, or to interrupt or restore service in any part of the Natural Gas Distribution System, in a safe and reliable manner;
- z) **“Party”** means any party to this Agreement and **“Parties”** means all of the parties to this Agreement;
- aa) **“Plans and Specifications”** means the plans, drawings and specifications reasonably necessary to properly assess and review proposed Work prior to issuance of any approval that may be required under this Agreement;
- bb) **“Term”** means the term of this Agreement set out in paragraph 2;
- cc) **“Terms and Conditions”** means the terms and conditions contained within the Delivery Tariff in effect from time to time for the Company as approved by the Commission;
- dd) **“Work”** means any work to Construct or Maintain the Natural Gas Distribution System; and
- ee) **“Work Around Procedures”** shall have the meaning set out in paragraph 14 (c)(ii).

The words “hereof”, “herein”, “hereunder” and other words of similar import refer to this Agreement as a whole, including any attachments hereto, as the same may from time to time be amended or supplemented and not to any subdivision contained in this Agreement. Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders. References to provisions of statutes, rules or regulations will be deemed to include references to such provisions as amended, modified or re-enacted from time to time. The word “including” when used herein is not intended to be exclusive and in all cases means “including without limitation”. References herein to a section, paragraph, clause, Article or provision will refer to the appropriate section, paragraph, clause, article or provision of this Agreement. The descriptive headings of this Agreement are inserted for convenience of reference only and do not constitute a part of and will not be utilized in interpreting this Agreement.

2) Term

- a) Subject to sub-paragraph 2(b), this Agreement will be for a minimum term of ten years, commencing on the later of:
 - i) 1st day of OCTOBER, 2015; and
 - ii) the first (1st) business day after both of the following have occurred:
 - A. the Commission has approved and acknowledged this Agreement; and
 - B. Council of the Municipality has passed third reading of the applicable adopting bylaw.
- b) This Agreement will expire on the 30th day of September, 2025.
- c) It is agreed this Agreement supersedes and replaces any prior Natural Gas franchise agreements between the Municipality and the Company.

3) Expiry of Term of Agreement

- a) Provided the Company gives written notice to the Municipality not less than twelve (12) months prior to the expiration of the Term of its intention to negotiate a new franchise agreement, at any time following the expiration of the Term, and if the Municipality has not provided written notice to the Company to exercise its rights to purchase the Natural Gas Distribution System, either Party may submit any items in dispute pertaining to a new franchise agreement to binding arbitration by the Commission.
- b) Subject to subparagraph 3c) of this Agreement, upon expiry of the Term, this Agreement will continue in effect pursuant to the provisions of the MGA.
- c) Commencing one (1) year following the expiration of the Term of this Agreement, unless either Party has invoked the right to arbitration referred to in subparagraph 3a) , or the Municipality has given written notice to purchase the Natural Gas Distribution System, this Agreement will be amended to provide the following:
 - i) Fifty percent (50%) of the franchise fee otherwise payable under this Agreement to the Municipality will be held back and deposited in trust in an interest bearing trust account by the Company, for the sole benefit of the Municipality. The trust money along with all accumulated interest will be paid to the Municipality immediately upon execution of another Natural Gas Franchise Agreement with the Company, or if the Municipality purchases the Natural Gas Distribution System, or if the Company transfers or sells the Natural Gas Distribution System, or upon further Order of the Commission.
- d) In the event a franchise agreement template is approved by the Commission during the Term of this Agreement and the provisions are materially different from the provisions of this

Agreement, the Parties may, by agreement in writing, amend this Agreement to conform to such franchise agreement template.

4) Grant of Franchise

- a) Subject to the terms and conditions hereof, the Municipality hereby grants to the Company the exclusive right within the Municipal Service Area to:
 - i) provide Natural Gas Distribution Service;
 - ii) Construct, Operate, and Maintain the Natural Gas Distribution System; and
 - iii) use portions of roads, rights-of-way, and other lands owned, controlled or managed by the Municipality which have been designated by the Municipality for such use and which are necessary to provide Natural Gas Distribution Service or to Construct, Operate and Maintain the Natural Gas Distribution System.
- b) Subject to subparagraph 4c) , and to the terms and conditions hereof, the Municipality agrees it will not, during the Term, grant to any other person, firm or corporation, the right to Construct, Operate and Maintain any natural gas distribution system nor the exclusive right to use the portions of the roads, rights-of-way and other lands owned, controlled or managed by the Municipality which have been designated by the Municipality for such use and which are necessary to provide Natural Gas distribution service or to Construct, Operate and Maintain a Natural Gas distribution system, for the purpose of delivering Natural Gas in the Municipal Service Area for Consumers, so long as the Company delivers the Consumers' requirements of Natural Gas.
- c) The Company agrees to:
 - i) bear the full responsibility of an owner of a Natural Gas distribution system and to ensure all services provided pursuant to this Agreement are provided in accordance with the Delivery Tariff, insofar as applicable;
 - ii) Construct, Operate and Maintain the Natural Gas Distribution System;
 - iii) use designated portions of roads, rights-of-way, and other lands including other lands owned, controlled or managed by the Municipality necessary to Construct, Operate and Maintain the Natural Gas Distribution System, including the necessary removal, trimming of trees, shrubs or bushes or any parts thereof; and
 - iv) use the Municipality's roads, rights-of-way and other Municipal Property granted hereunder solely for the purpose of providing Natural Gas Distribution Service and any other service contemplated by this Agreement.

5) Franchise Fee

a) Calculation of Franchise Fee

In consideration of the rights granted pursuant to paragraph 4 and the mutual covenants herein and subject to Commission approval the Company agrees to collect from Consumers and pay to the Municipality a franchise fee. The Parties agree s. 360(4) of the *MGA*, as amended, does not apply to the calculation of the franchise fee in this Agreement. For each calendar year the franchise fee will be calculated as a percentage of the Company's actual total revenue derived from the Delivery Tariff, including without limitation the fixed charge, base energy charge, demand charge, but excluding the cost of Natural Gas (being the calculated revenues from the Natural Gas cost recovery rate rider or the deemed cost of Natural Gas and Natural Gas supply related riders) in that year for Natural Gas Distribution Service within the Municipal Service Area.

For the first (1st) calendar year or portion thereof of the Term of this Agreement, the franchise fee percentage will be 30 percent (30%).

By no later than September 1st of each year, the Company will:

- i) advise the Municipality in writing of the total revenues that were derived from the Delivery Tariff within the Municipal Service Area for the prior calendar year; and
- ii) with the Municipality's assistance, provide in writing an estimate of total revenues to be derived from the Delivery Tariff within the Municipal Service Area for the next calendar year.

b) Adjustment to the Franchise Fee

At the option of the Municipality and subject to Commission approval, the franchise fee percentage may be changed annually by providing written notice to the Company.

If the Municipality wishes to amend the franchise fee percentage, then the Municipality will, no later than November 1st in any year of the Term, advise the Company in writing of the franchise fee percentage to be charged for the following calendar year. Upon receipt of notice, the Company will work with the Municipality to ensure all regulatory requirements are satisfied on a timely basis and agrees to use best efforts to obtain approval from the Commission for implementation of the proposed franchise fee percentage as and from January 1st of the following calendar year.

If the Municipality provides written notice at any other time with respect to a franchise fee change, the Company will implement the new franchise fee percentage as soon as reasonably possible.

c) Notice to Change Franchise Fee

Prior to implementing any change to the franchise fee, the Municipality will notify its intent to change the level of the franchise fee and the resulting effect such change will have on an average residential Consumer's annual Natural Gas bill through publication of a notice once

in the newspaper with the widest circulation in the Municipal Service Area at least forty five (45) days prior to implementing the revised franchise fee. A copy of the published notice will be filed with the Commission.

d) **Payment of Franchise Fee**

The Company will pay the Municipality the franchise fee amount billed to Consumers on a monthly basis within forty-five (45) days after billing Consumers.

e) **Franchise Fee Cap**

The franchise fee percentage will not at any time exceed thirty five percent (35%) without prior Commission approval.

f) **Reporting Considerations**

Upon request, the Company will provide to the Municipality, along with payment of the franchise fee amount information on the total Delivery Tariff billed, the franchise fee percentage applied, and the derived franchise fee amount used by the Company to verify the payment of the franchise fee amount as calculated under this paragraph 5.

g) **Franchise Fees Collected from NOVA Gas Transmission Ltd. Customers**

In the event certain customers in the Municipal Service Area connected to the Company's Natural Gas Distribution System are customers of the NOVA Gas Transmission Ltd. (NGTL), a franchise fee will be collected from such customers by NGTL in accordance with NGTL's applicable tariff and such franchise fee once remitted to the Company will be aggregated with the franchise fee as calculated in paragraph 5 a) to be dealt with in accordance with paragraph 5 d).

6) Core Services

The Company agrees to provide to the Municipality the Core Services set forth in Schedule "A". The Company and the Municipality may amend Schedule "A" from time to time upon mutual agreement.

7) Provision of Extra Services

Subject to an agreement being reached, the Company agrees to provide to the Municipality the Extra Services, if any, set forth in Schedule "B", as requested by the Municipality from time to time. The Company is entitled to receive from the Municipality a reasonable amount for full compensation for the provision of the Extra Services in accordance with Schedule "B". The Company and the Municipality may amend Schedule "B" from time to time upon mutual agreement.

Any breach by the Company in connection with the provision of any Extra Services contained in this Agreement will not constitute a breach of a material provision of this Agreement for the purposes of paragraph 9.

8) Municipal Taxes

Amounts payable to the Municipality pursuant to this Agreement will be (without duplication) in addition to the municipal taxes and other levies or charges made by the Municipality against the Company, its land and buildings, linear property, machinery and equipment.

9) Right to Terminate on Default

In the event either Party breaches any material provision of this Agreement, the other Party may, at its option, provide written notice to the Party in breach to remedy such breach. If the said breach is not remedied within two (2) weeks after receipt of the written notice or such further time as may be reasonably required by the Party in breach using best efforts on a commercially reasonable basis, the Party not in breach may give six (6) months notice in writing to the other Party of its intent to terminate this Agreement, and unless such breach is remedied to the satisfaction of the Party not in breach acting reasonably this Agreement will terminate six (6) months from the date such written notice is given, subject to prior Commission approval.

10) Sale of Natural Gas Distribution System

Upon the expiration of the Term of this Agreement or the termination of this Agreement pursuant to the terms and conditions hereof or by operation of law or order of a governmental authority or court of law having jurisdiction the Municipality may, subject to the approval of the Commission under Section 47 of the MGA:

- i) exercise its right to require the Company to sell to it the Natural Gas Distribution System within the Municipal Service Area pursuant to the provisions of the MGA, where applicable; or
- ii) if such right to require the Company to sell the Natural Gas Distribution System is either not applicable or has been repealed, require the Company to sell to it the Natural Gas Distribution System. If, upon the expiration of the Agreement, the parties are unable to agree on the price or on any other terms and conditions of the purchase, the unresolved matters will be referred to the Commission for determination.

11) Provision of Detailed Plans and Equipment

a) Detailed Plans

The Company agrees to provide to the Municipality for the Municipality's purposes only, the most current set of detailed plan sheets including as-built drawings and specifications

showing the locations (excluding depth) and alignments of the Natural Gas Distribution System, excepting service lines and installations on private property, according to the plan sheets in hard copy and in Electronic Format, where available, together with as many prints of the overall Natural Gas Distribution System as the Municipality may reasonably require. These plans and plan sheets will be updated by the Company on at least an annual basis.

The Municipality will, upon reasonable request, provide to the Company any subdivision development plans of the Municipality in hard copy and in Electronic Format, where available. The subdivision development plans are provided to the Company for the sole purpose of assisting the Company in delivering Natural Gas to the Consumer.

b) Provision of Equipment

The Company agrees to provide the Municipality's fire department with the equipment necessary for the operation of curb boxes and service valves. In case of fire, the service valves may be turned off by the fire department if they reach a fire before the Company's representative. The Municipality will notify one of the Company's representatives of fires which may affect the Natural Gas Distribution System and/or the operations thereof as quickly as reasonably possible or, in the event they cannot reach a Company representative, the Municipality will advise the Company's standby personnel of such fires. The Company will ensure its representatives reasonably cooperate with the Municipality in preventing, controlling and investigating fires involving or affecting the Natural Gas Distribution System.

12) Right of First Refusal to Purchase

- a) If during the Term of this Agreement, the Company receives a *bona fide* arm's length offer to operate, take control of, or purchase the Natural Gas Distribution System within the Municipal Service Area, which the Company is willing to accept, then the Company will promptly give written notice to the Municipality of the terms and conditions of such offer and the Municipality will during the next one hundred and twenty (120) days, have the right of first refusal to operate, take control of or purchase the Natural Gas Distribution System, as the case may be, for the same price and upon the terms and conditions contained in the said offer.

Notwithstanding the foregoing, in the event the Municipality fails or refuses to exercise its right of first refusal, the Municipality will retain the right to withhold its consent to an assignment of this Agreement in accordance with paragraph 20 below. For the purposes of this paragraph 12, "operate, take control" will not be construed as including the subcontracting by the Company of only some portions of its operations where the Company continues to be responsible for the performance of this entire Agreement;

- b) If the Municipality does not exercise its right of first refusal and the said *bona fide* offer the Company is willing to accept does not proceed to closure, the Municipality retains its right of first refusal on any other offer.

- c) This right of first refusal applies where the offer pertains only to the entire Natural Gas Distribution System. The right of first refusal does not apply to offers that include any other distribution systems or distribution facilities of the Company located outside of the Municipal Service Area. If such offer includes other distribution systems of the Company, the aforesaid right of first refusal will be of no force and effect and will not apply.
- d) Where the Municipality exercises its rights to purchase the Natural Gas Distribution System from the Company and thereby acquires the Natural Gas Distribution System, the Municipality agrees, should it no longer wish to own the Natural Gas Distribution System within five (5) years after it acquires the said system and the Municipality receives any *bona fide* offer from an arms-length third party to purchase the Natural Gas Distribution System, which it is willing to accept, then it will promptly give written notice to the Company of the terms and conditions of such offer. The Company will during the next one hundred and twenty (120) days have the first right of refusal to purchase the Natural Gas Distribution System for the same price and upon the same terms and conditions as contained in the said offer.
- e) The Municipality's right of first refusal will not apply where the Company has agreed to transfer the Natural Gas Distribution System to a third party utility company in exchange for certain other assets provided all of the following conditions are met:
 - i) the third party utility can demonstrate to the reasonable satisfaction of the Municipality that it meets the necessary technical and financial requirements to own and operate the Natural Gas Distribution System;
 - ii) the only consideration that will be exchanged between the Company and the third party utility company is the transfer and exchange of assets and monetary consideration limited to a maximum of 49% of the net book value of the Natural Gas Distribution System;
 - iii) there is no adverse impact to the Municipality resulting from the transfer and exchange above referenced as determined by the Commission;
 - iv) the Company and the third party utility company obtain all the requisite regulatory requirements prior to completing the transfer and exchange; and
 - v) full compensation is paid to the Municipality for all reasonable costs including administrative and legal costs incurred by the Municipality in ensuring all of the conditions i) through iv) above are satisfied.

13) Construction and/or Maintenance of Natural Gas Distribution System

a) Municipal Approval

Before undertaking any Major Work, or in any case in which the Municipality specifically requests any Major Work, the Company will submit to and obtain the written approval from the Municipality, or its authorized officers, of the Plans and Specifications for the proposed

Major Work and its location. Approval by the Municipality granted in accordance with this paragraph will be limited to an approval of the location and alignment of the Major Work only, and will not signify approval of the structural design or the ability of the work to perform the function for which it was intended.

Prior to commencing the Work, the Company will obtain such other applicable permits as are required by the Municipality. The Company will notify the Municipality of all Work done within the Municipal Service Area prior to commencing the Work where reasonably practicable. However, only Major Work is subject to a formal approval process.

The Company will obtain prior written approval from the Municipality for any traffic lane or sidewalk closures required to be made at least forty-eight (48) hours prior to the commencement of the proposed Work.

For the purposes of obtaining the approval of the Municipality for Major Work under this Agreement, the Company will provide the Municipality with the Plans and Specifications for the proposed Major Work in Electronic Format (or upon request, the Company will provide the Municipality with a hard copy of the materials). The Plans and Specifications will include a description of the project and drawings of a type and format generally used by the Company for obtaining approvals from municipalities and will illustrate the proposed changes to the Natural Gas Distribution System.

b) Restoration of Municipal Property

The Company agrees when it or any agent employed by it undertakes any Work on any Municipal Property, the Company will complete the said Work promptly and in a good and workmanlike manner and, where applicable, in accordance with the approved Plans and Specifications. Further, and unless otherwise agreed to by the Parties, the Company will forthwith restore the Municipal Property to the same state and condition, as nearly as reasonably possible, in which it existed prior to the commencement of such Work, subject to reasonable wear and tear and to the satisfaction of the Municipality acting reasonably.

The Company will, where reasonably practicable and prudent, locate its pipelines and related equipment in lanes and alleys rather than in the streets and main thoroughfares.

The Company further covenants it will not unduly interfere with the works of others or the works of the Municipality. Where reasonable and in the best interests of both the Municipality and the Consumer, the Company will cooperate with the Municipality and coordinate the installation of the Natural Gas Distribution System along the designated rights-of-way pursuant to the direction of the Municipality. During the performance of the Work, the Company will use commercially reasonable efforts to not interfere with existing Municipal Property and to cause as little damage as possible to the property of others (including the Municipality Property). If the Company causes damage to any existing Municipal Property during the performance of any Work, it will cause such damage to be repaired at its own cost.

Upon default by the Company or its agent to repair damage caused to Municipal Property as set out above, the Municipality may provide written notice to the Company to remedy the

default. If the default is not remedied within two (2) weeks after receipt of the written notice or such further time as may be reasonably required and requested by the Company using best efforts on a commercially reasonable basis to remedy the default, the Municipality may undertake such repair work and the Company will be liable for the reasonable costs thereof.

c) Urgent Repairs and Notification to Municipality

If any repairs or maintenance required to be made to the Natural Gas Distribution System are of an urgent nature where the operation or reliability of the Natural Gas Distribution System is materially compromised or potentially materially compromised, the Company will be entitled to conduct such repairs or maintenance as are commercially reasonable without prior notice to the Municipality and, unless otherwise specified by the Municipality, the Company will provide notice to the Municipality as soon as practicable and, in any event, no later than seventy-two (72) hours after the repairs are commenced.

d) Company to Obtain Approvals from Other Utilities

The Company will be solely responsible for locating, or causing to be located, all existing utilities or utility mains, pipes, valves and related facilities in, on or adjacent to the Work site. The Company will notify all other utility operators and ensure utilities and utility mains, pipes, valves and related facilities are staked prior to commencement of construction. Unless the Municipality has staked the location for the utility property, staking will not be deemed to be a representation or warranty by the Municipality the utility or utility property are located as staked. The Municipality will not be responsible for any damage caused by the Company to any utility or any third party as a result of the Company's Work, unless the Municipality has improperly staked the utility property. Approval must be obtained by the Company from the owner of any third party utility prior to relocation of any facility owned by such third party utility.

e) Revised Plans and Specifications

Following completion of the Major Work, the Company will provide the Municipality with the revised Plans and Specifications, updated after construction, in Electronic Format, where available and upon request, the Company will provide the Municipality with a hard copy of the materials within three (3) months of the request. The Company will provide the Municipality with copies of any other revised Plans and Specifications as reasonably requested by the Municipality. For the purposes of this paragraph and paragraph 11, the Company may satisfy its obligations to provide revised Plans and Specifications in Electronic Format by:

- i) advising the Municipality the revised Plans and Specifications are posted to a web-based forum that contains such information; and
- ii) allowing the Municipality access to such web-based forum.

f) Approvals

Where any approvals are required to be obtained from either Party under this paragraph, such approvals will not be unreasonably withheld.

The Company will ensure all Work is performed in accordance with the requirements of all applicable legislation, rules and regulations. The Company will immediately notify the Municipality of any lien, claim of lien or other action of which it has or reasonably should have knowledge, and will cause the same to be removed within thirty (30) days (or such additional time as the Municipality may allow in writing), failing which the Municipality may take such action as it reasonably deems necessary to remove the same and the entire cost thereof will be immediately due and payable by the Company to the Municipality.

14) Responsibilities For Cost of Relocations

- a) Upon receipt of one (1) year's notice from the Municipality, the Company will, at its own expense, relocate to Municipal Property such part of the Natural Gas Distribution System that is located on Municipal Property as may be reasonably required by the Municipality due to planned municipal construction. In order to encourage the orderly development of Municipal facilities and the Natural Gas Distribution System, the Municipality and the Company agree they will meet regularly to:
 - i) review the long-term facility plans of the Municipality and the Company; and
 - ii) determine the time requirements and costs for final design specifications for each relocation. Providing the Municipality is not the developer requesting the relocation for commercial or residential resale to third parties, the Company will bear the expenses of the required relocation.
- b) Notwithstanding the foregoing, the Company will not be required to move any part of the Natural Gas Distribution System after receipt of notice from the Municipality in accordance with this paragraph where:
 - i) the Company has illustrated to the satisfaction of the Municipality, acting reasonably, an appropriate Alternative Course of Action is available;
 - ii) the Municipality has provided the Company with its written approval of the Alternative Course of Action (which approval may not be unreasonably withheld by the Municipality); and
 - iii) the Company has provided its written undertaking to carry out the Alternative Course of Action promptly and within a sufficiently short period of time so as to ensure the Municipality will be left with sufficient time to complete the said planned municipal construction within the Intended Time Frame (taking into account any delays which the Municipality may encounter as a result of the Company utilizing the Alternative Course of Action).

- c) For the purposes of this paragraph 14, the term "Alternative Course of Action" will mean any course of action that will enable the Municipality to complete the said Municipal construction and will result in a net cost savings to the Company (taking into account all additional costs incurred by the Company in carrying out the Alternative Course of Action and any additional costs which the Municipality may incur and which the Company will be required to pay in accordance with this paragraph 14 and "Intended Time Frame" will mean the period of time within which the Municipality would have reasonably been able to complete the said Municipal construction if the Company would have relocated the Natural Gas Distribution System in accordance with this paragraph 14.

If the Municipality agrees to permit the Company to utilize an Alternative Course of Action, the Company will pay any and all costs incurred in carrying out the Alternative Course of Action and will pay on demand to the Municipality (on a full indemnity basis) any and all costs incurred by the Municipality:

- i) in conducting a review of the Alternative Course of Action to determine whether the Alternative Course of Action is acceptable to the Municipality;
 - ii) in modifying any plans the Municipality may have prepared in respect of the said municipal construction ("Modified Plans") or in preparing or developing plans and procedures ("Work Around Procedures") to work around the Natural Gas Distribution System or any improvement, thing, or component utilized by the Company in effecting the Alternative Course of Action; and
 - iii) in the course of conducting the said planned municipal construction where such costs would not have been incurred by the Municipality if the Company had relocated the Natural Gas Distribution System in accordance with this paragraph 14 (including any reasonable additional cost the Municipality may incur in completing the said municipal construction in accordance with the Modified Plans or in effecting any Work Around Procedures).
- d) The following example illustrates the intended application of the foregoing provisions:

Where:

- i) The Municipality requires the Company to move a Natural Gas line so the Municipality can replace its own sewer lines. The cost of moving the Natural Gas line is \$10,000. The cost of carrying out the replacement of the sewer line after moving the Natural Gas line is \$40,000;
- ii) The Company proposes to simply brace the Natural Gas line (at a cost of \$2,000) and the Municipality, acting reasonably, approves of this as an Alternative Course of Action;
- iii) As a result of having to prepare Modified Plans and to prepare and implement Work Around Procedures to work around the braces, the actual cost incurred by the Municipality in replacing the sewer line is \$45,000 (being a net increase in cost of \$5,000);

the Company is required to pay the \$2,000 cost of the bracing together and the additional cost of \$5,000 incurred by the Municipality (resulting in a net savings of \$3,000 to the Company).

In cases of emergency, the Company will take all measures that are commercially reasonable and necessary to ensure public safety with respect to relocating any part of the Natural Gas Distribution System that may be required in the circumstances.

If the Company fails to complete the relocation of the Natural Gas Distribution System or fails to repair or do anything else required by the Company pursuant to this subparagraph without valid justification and in a timely and expeditious manner to the satisfaction of the Municipality's representative, acting reasonably, the Municipality may, but is not obligated to, complete such relocation or repair and the Company will pay the reasonable costs of such relocation or repair forthwith to the Municipality. If the Municipality chooses to complete such relocation or repair the Municipality will ensure such work is completed using the Company's design specifications and standards, as provided by the Company, including the use of good and safe operating practices.

The Municipality is not responsible, either directly or indirectly, for any damage to the equipment which forms part of the Natural Gas Distribution System which may occur during its installation, maintenance or removal by the Company, nor is the Municipality liable to the Company for any losses, claims, charges, damages and expenses whatsoever suffered by the Company including claims for loss of revenue or loss of profits, on account of the actions of the Municipality, its agents or employees, working in, under, over, along, upon and across its highways and rights-of-ways or other Municipal Property other than direct loss or damage to the Company caused by the negligence or wilful misconduct of the Municipality, its agents or employees.

In the event the relocation or any part thereof requires the approval of a third party, the Municipality will use reasonable efforts to assist the Company in any negotiation with such third party to obtain the necessary approval(s).

In the event the relocation results from the demand or order of an authority having jurisdiction, other than the Municipality, the Municipality will not be responsible for any of the costs of such relocation.

15) Natural Gas Distribution System Expansion

Subject to the Terms and Conditions, and at no cost to the Municipality unless otherwise provided for under the Terms and Conditions, the Company will, on a timely basis, use its best efforts on a commercially reasonable basis to meet the Natural Gas Distribution System expansion requests of the Municipality or a Consumer and provide the requisite facilities for connections for new Consumers to the Natural Gas Distribution System.

16) Increase in Municipal Boundaries

Where the Municipality increases its geographical area, through annexation or amalgamation, as understood under the MGA, by the greater of 640 acres and twenty five (25%) percent of the current area or more, the Municipality will have the option to:

- (a) terminate this Agreement provided the Municipality gives notice in writing to the Company of its intention to do so; or
- (b) add the increased area to the Municipal Service Area already served by the Company so that the rights and obligations contained in this Agreement will apply in respect of the Municipal Service Area, including the increased area.

For all other increases to the Municipal Service Area through annexation or amalgamation as understood under the MGA, the rights and obligations contained in this Agreement will apply in respect of the whole Municipal Service Area, including the increased area.

17) Joint Use of Municipal Rights-of-Way

a) Municipal Use

The Municipality will upon written notice to the Company have, for any reasonable municipal purpose, the right to make use of any municipal rights-of-way granted to the Company by the Municipality, provided such use complies with good and safe operating practices, as determined by the Company acting reasonably, applicable legislation, and does not unreasonably interfere with the Company's use thereof, at no charge to the Municipality. The Municipality is responsible for its own costs and any necessary and reasonable costs incurred by the Company including the costs of any alterations that may be required in using municipal rights-of-way.

b) Third Party Use and Notice

If any third party, including other utilities, desire to jointly use the municipal rights-of-way, the Company agrees it will not grant the third party joint use except in accordance with this paragraph, or unless otherwise directed by any governmental authority or court of law having jurisdiction.

The Company agrees the following procedure will be used in granting permission to third parties desiring joint use of the municipal rights-of-way:

- i) first, the third party will be directed to approach the Company to initially request conditional approval from the Company to use that part of the municipal rights-of-way it seeks to use;
- ii) second, upon receiving written conditional approval from the Company, the third party will be directed to approach the Municipality to obtain its written approval to jointly

use that part of the municipal rights-of-way. As a condition of granting its consent, the Municipality may require such third party enter into an agreement with the Municipality, and such agreement may require such third party pay compensation to the Municipality; and

- iii) third, upon receiving written conditional approval from the Municipality, the third party will be directed to obtain final written approval from the Company to jointly use that part of the municipal rights-of-way. Once a joint use agreement has been entered into between the Company and the third party, it will not be subsequently amended without the written consent of the Municipality (which consent will not be unreasonably withheld).

c) Cooperation

The Company and the Municipality agree they will use reasonable efforts to cooperate with each other in encouraging the use of joint trenching and in any negotiations with third parties desiring joint use of any part of the municipal rights-of-way located on Municipal Property.

d) Payment

The compensation paid or to be paid by such third party to the Municipality for the use of the Municipal Property including its rights-of-way, will be determined between the Municipality and the third party.

The compensation paid or to be paid by such third party to the Company for the joint use of any portion of the municipal rights-of-way will be determined between the Company and the third party, subject to the jurisdiction of any governmental authority over the matter and the Municipality's right to intervene in any related regulatory proceeding.

e) Provision of Agreements

Upon reasonable request by the Municipality, copies of these agreements will be updated by the Company and provided to the Municipality at no cost to the Municipality.

18) Municipality as a Retailer

The provisions of this Agreement will not in any way restrict the right of the Municipality to become a retailer within the meaning of the GUA.

19) Reciprocal Indemnification and Liability

- a) The Company will indemnify and save the Municipality, its servants, agents, employees, licensees, contractors and invitees, harmless from and against any and all liability, actions, demands, claims, damages, losses and expenses (including all legal costs and disbursements), including indemnity from and against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien, encumbrance or otherwise, arising out of any Work performed

by or for the Company, which may be brought against or suffered, sustained, paid or incurred by the Municipality, its servants, agents, employees, contractors, licensees and invitees, arising from, or otherwise caused by:

- i) any breach by the Company of any of the provisions of this Agreement; or
 - ii) the negligence or wilful misconduct of the Company, or any of its servants, agents, employees, licensees, contractors or invitees in carrying on its business within the Municipal Service Area.
- b) The Municipality will indemnify and save the Company, its servants, agents, employees, licensees, contractors and invitees, harmless from and against any and all liability, actions, demands, claims, damages, losses and expenses (including all legal costs and disbursements) which may be brought against or suffered, sustained, paid or incurred by the Company, its servants, agents, employees, licenses, contractors and invitees, arising from, or otherwise caused by:
- i) any breach by the Municipality of any of the provisions of this Agreement; or
 - ii) the negligence or wilful misconduct of the Municipality, or any of its servants, agents, employees, licensees, contractors or invitees, in carrying on the business of the Municipality.
- c) Notwithstanding anything to the contrary herein contained, in no event will the Municipality or the Company be liable under this Agreement, in any way, for any reason, for any indirect, special or consequential damages (including damages for pure economic loss, loss of profits, loss of earnings or loss of contract), howsoever caused or contributed to.

20) Assignment

In the event the Company agrees to sell the Natural Gas Distribution System to a third party purchaser, the Company will comply with paragraph 10 above. In addition, the Company will request the third party purchaser confirm in writing it will agree to all the terms and conditions of this Agreement between the Company and the Municipality. The Company agrees it will provide to the Municipality a copy of the third party purchaser's confirmation letter.

The Company agrees to provide the Municipality with reasonable prior written notice of a sale of the Natural Gas Distribution System to a third party purchaser. The Parties will thereafter meet to discuss the technical and financial capabilities of the third party purchaser to perform and satisfy all terms and conditions of the Agreement, and the compensation payable to the Municipality for all costs including administrative and legal costs relating to providing its written consent to the Assignment("Municipal Compensation").

The Municipality has thirty (30) days from the meeting date with the Company to provide written notice to the Company of its intention to consent or withhold its consent to the assignment of the Agreement to the third party purchaser. The Company agrees the Municipality may provide notice of its intention to withhold its consent to the assignment of this Agreement to the third party

purchaser if the Municipal Compensation is inadequate or if the third party purchaser fails to covenant, in favour of the Municipality, to perform and observe all of the covenants and obligations of the Company to be performed and observed under this Agreement and otherwise solely on the basis of reasonable and material concerns regarding the technical capability or financial wherewithal of the third party purchaser to perform and satisfy all terms and conditions of the Agreement. In this case, such notice to the Company must specify in detail the Municipality's concern.

Should the Municipality not reply within the thirty (30) day period, it is agreed the Municipality will be deemed to have consented to the assignment. The Company further agrees when it applies to the Commission for approval of the sale, it will include in the application any notice received from the Municipality, including the reasons given by the Municipality for withholding its consent. The Municipality will have the right to make its own submissions to the Commission.

Subject to the Company having fulfilled the obligations outlined in the preceding three paragraphs, the Company will be entitled to assign this Agreement to an arm's length third party purchaser of the Natural Gas Distribution System without the consent of the Municipality, subject to paying the Municipal Compensation for the assignment, and having obtained the Commission's approval for the sale of the Natural Gas Distribution System and, the third party purchaser's confirmation in writing that it agrees to all the terms and conditions of this Agreement.

Where the Commission approves such sale of the Natural Gas Distribution System to a third party and the third party provides written confirmation to assume all liabilities and obligations of the Company under this Agreement, then upon the assignment of this Agreement and the payment of the Municipal Compensation for its consent to the Assignment subject to Commission approval, the Company will be released from all its liabilities and obligations thereunder.

The Company will be entitled to assign this Agreement to a subsidiary or affiliate of the Company without the Municipality's written consent. Where the Company assigns this Agreement to a subsidiary or affiliate, the Company will remain jointly and severally liable.

Further, it is a condition of any assignment that the subsidiary, affiliate or third party purchaser, as the case may be, will provide written notice to the Municipality indicating it will assume all liabilities and obligations of the Company under this Agreement.

Any disputes arising under the operation of this paragraph will be submitted to the Commission for determination.

21) Notices

a) All notices, demands, requests, consents, or approvals required or permitted to be given pursuant to the terms of this Agreement will be in writing and will be deemed to have been properly given if personally served, sent by registered mail or sent in Electronic Format to the Municipality or to the Company as the case may be, at the addresses set forth below:

i) To the Company:

- ii) To the Municipality:
- b) The date of receipt of any such notice as given above, will be deemed to be as follows:
 - i) In the case of personal service, the date of service;
 - ii) In the case of registered mail, the seventh (7th) business day following the date of delivery to the Post Office, provided, however, in the event of an interruption of normal mail service, receipt will be deemed to be the seventh (7th) day following the date on which normal service is restored; or
 - iii) In the case of delivery in Electronic Format, the date the notice was actually received by the recipient or, if not a business day, then the next business day.

22) Interruptions or Discontinuance of Delivery Service

Subject to its Delivery Tariff, the Company will use its best efforts on a commercially reasonable basis to avoid and minimize any interruption, reduction or discontinuance of Natural Gas Distribution Service to any Consumer. However, the Company reserves the right to do so for any one of the following reasons:

- a) Where the Company is required to effect necessary repairs or changes to the Natural Gas Distribution System;
- b) On account of or to prevent fraud or abuse of the Natural Gas Distribution System;
- c) On account of defective aspects of the Natural Gas Distribution Systems which in the opinion of the Company, acting reasonably, may become dangerous to life or property;
- d) Where required, under the Terms and Conditions, due to a Consumer's non-payment of Natural Gas bills.

To the extent the Company has any planned major interruptions, reductions or discontinuances in Natural Gas Distribution Service, it will notify the Municipality in writing as soon as practicable in the circumstances. For any other major interruption, reductions or discontinuances in Natural Gas Distribution Service, the Company will provide notice (in a format acceptable to the Municipality) as soon as is practicable in the circumstances.

23) Dispute Settlement

- a) If any dispute or controversy of any kind or nature arises relating to this Agreement or the Parties' rights or obligations hereunder, the Parties agree such dispute or controversy will be resolved by negotiation, and where such negotiation does not result in the settlement of the matter within thirty (30) days of notice of such dispute being provided by one Party to the other Party, and to the extent permitted by law, the Company and Municipality agree that unresolved disputes pertaining to this Agreement, other than those contemplated in paragraphs 3 and 20

and Section 3 of Schedule "A", or those related to the sale of the Natural Gas Distribution System as contemplated in paragraphs 10 and 12 hereof, or any other matter within the exclusive jurisdiction of a governmental authority having jurisdiction, will be submitted to arbitration for determination and may be commenced by either Party providing written notice to the other Party stating the dispute to be submitted to arbitration.

The Parties will attempt to appoint a mutually satisfactory arbitrator within ten (10) business days of the said notice. In the event the Parties cannot agree on a single arbitrator within the ten (10) business days, the dispute will be forwarded to the Commission for resolution or determination.

In the event the Commission declines to assist in resolving the dispute or declines to exercise or claim jurisdiction respecting the dispute, both Parties agree to have the dispute resolved by an arbitration panel in accordance with the following procedure.

Each Party will appoint an arbitrator within the ten (10) business days thereafter by written notice, and the two arbitrators will, together, appoint a third arbitrator within twenty-five (25) business days of written notice for arbitration. The dispute will be heard by the arbitration panel within forty-five (45) business days of the written notice for arbitration unless extended by mutual agreement between the Parties. The arbitration panel will render a decision within twenty (20) business days of the last day of the hearing.

Except, as otherwise expressly provided in this Agreement, the provisions of the Arbitration Act (Alberta) (as amended from time to time) will apply to any arbitration undertaken under this Agreement subject always to the Commission's jurisdiction over any matter submitted to arbitration. Pending resolution of any dispute, the Municipality and the Company will continue to perform their respective obligations hereunder.

- b) The Company will advise the Commission of any dispute submitted to arbitration within ten (10) business days of it being submitted and will advise the Commission of the results of arbitration within ten (10) business days following receipt of the decision of the arbitrator(s).

24) Application of Water, Gas and Electric Companies Act

This Agreement will be deemed to operate as consent by the Municipality to the exercise by the Company of those powers which may be exercised by the Company with the consent of the Municipality under and pursuant to the provisions of the *Water, Gas and Electric Companies Act* (Alberta), as amended.

25) Force Majeure

If either Party fails to meet its obligations hereunder within the time prescribed, and such failure is caused or materially contributed by an event of "force majeure", such failure will be deemed not to be a breach of the obligations of such Party hereunder, but such Party will use its best efforts on a commercially reasonable basis to put itself in a position to carry out its obligations hereunder. The term "force majeure" will mean any acts of God, strikes, lock-outs, or other industrial disturbances, acts of the Queen's enemies, acts of terrorism (either foreign or domestic), sabotage,

war, blockades, insurrections, riots, epidemics, lightening, earthquakes, storms, fires, wash-outs, nuclear and radiation activity or fall-out, restraints of rulers and people, orders of governmental authorities or courts of law having jurisdiction, the inability to obtain any necessary approval from a governmental authority (excluding the Municipality) having jurisdiction, civil disturbances, explosions, mechanical failure, and any other causes similar in nature not specifically enumerated or otherwise specified herein that are not within the control of such Party, and all of which by the exercise of due diligence of such Party could not have been prevented. Lack of finances will be deemed not to be an event of "force majeure".

26) Terms and Conditions

The Terms and Conditions applicable to the Company and approved by the Commission, as revised or amended from time to time by the Commission, will apply to the Municipality. Nothing in this Agreement is intended to supersede the Terms and Conditions.

27) Not Exclusive Against Her Majesty

Notwithstanding anything to the contrary herein contained, it is mutually understood and agreed the rights, powers and privileges conferred and granted by this Agreement will not be deemed to be exclusive against Her Majesty in right of the Province of Alberta.

28) Severability

If for any reason any covenant or agreement contained in this Agreement, or the application thereof to any Party, is to any extent held or rendered invalid, unenforceable or illegal, then such covenant or agreement will be deemed to be independent of the remainder of this Agreement and to be severable and divisible from this Agreement. The invalidity, unenforceability or illegality will not affect, impair or invalidate the remainder of this Agreement or any part thereof. The intention of the Municipality and the Company is that this Agreement would have been executed without reference to any portion which may, for any reason or to any extent, be declared or held invalid, unenforceable or illegal.

29) Amendments

This Agreement may only be amended by written agreement of the Parties, such amendments to be subject to any regulatory approvals required by law.

30) Waiver

A waiver of any default, breach or non-compliance under this Agreement is not effective unless in writing and signed by the Party to be bound by the waiver. No waiver will be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party.

The waiver by a Party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-compliance under this Agreement (whether of the same nature or any other nature).

31) Confidentiality

The Company acknowledges the Municipality is governed by the provisions of the *Freedom of Information and Protection of Privacy Act* (Alberta).

IN WITNESS WHEREOF the Parties hereto have executed these presents as of the day and year first above written.

Town of High Level

PER: _____

PER: _____

AltaGas Utilities Inc.

PER: _____

PER: _____

SCHEDULE "A" Core Services

The Company will provide to the Municipality the following basic services as Core Services:

- 1) The Company will deliver Natural Gas to the Consumers in accordance with the Company's Terms and Conditions, the Company's Distribution Tariff, the GUA, any regulations thereto, and any Commission orders and decisions.
- 2) The Company will install all Natural Gas facilities required to provide service to the Consumers in accordance with all applicable regulations, codes, applicable standards and common industry practices.
- 3) As required by legislation, the Company will provide and install all necessary regulators and meters necessary for measuring the Natural Gas supplied to each Consumer.
- 4) The Company agrees to collaborate with the Municipality's emergency response services in an effort to mutually develop emergency response procedures relating to Natural Gas emergencies.
- 5) The Company will provide personnel twenty-four (24) hours a day to investigate and make safe any suspected gas leak inside or outside the Consumer's premises.
- 6) The Company will utilize the services of qualified personnel for designing all Natural Gas facilities to satisfy all applicable regulatory codes and standards, preparing necessary work order plans and monitoring the distribution network pressures to ensure the Company's facilities will satisfy the Consumer's current and future Natural Gas delivery requirements.
- 7) The Company will provide to the Municipality, on request, copies of any and all Natural Gas Distribution Service related written or electronic, where available information or reports required to be filed with the Commission by the Company.
- 8) The Company will provide to the Municipality, upon request and to the extent the information is available, an annual report on the following standards:
 - a) **System Reliability** - will be measured by:
 - i. The number of major outages resulting in a loss of service to Consumers;
 - ii. The number of Consumers affected by each major outage; and
 - iii. The duration of each major outage.
 - b) **Consumer Satisfaction** - will be measured by:
 - i. Company-wide call centre targets and statistics (wait times, abandoned calls, call volumes, etc); and
 - ii. any Consumer complaints received by the Commission.

c) **Public Safety** - will be measured by:

- i. the number of customer injuries and/or damages due to Natural Gas Distribution System failure;
- ii. the number of line hits per total locates completed;
- iii. the number of line hits as a result of inaccurate locates;
- iv. the percentage of the area of the Municipality surveyed for leaks and yearly cathodic protection measures;
- v. the number and nature of calls received from the Municipality and any of its Municipal agencies (including fire department, police department etc.) regarding the Natural Gas Distribution System.

9) Once per year, upon request and subject to any applicable privacy legislation, the GUA Code of Conduct Regulation or other rules prohibiting or restricting such disclosure, the Company will provide to the Municipality:

- a) The total number of sites billed within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (w) years;
- b) The total gigajoules (GJ) of Natural Gas consumed by Consumers billed within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years;
- c) The franchise fee revenue billed to Consumers within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two(2) years;
- d) Where the Municipality is the customer of record and the Municipality provides a list of those sites to the Company on the form provided by the Company:
 - i. The total number of those sites billed within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years;
 - ii. The total gigajoules (GJ) of Natural Gas at those sites billed within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years;
 - iii. The franchise fee revenue billed to those sites within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years; and
- e) Such other information as may be agreed upon by the Parties from time to time.

Where privacy legislation, the GUA Code of Conduct Regulation or other rules prohibiting such disclosure prevent the Company from providing the information above, the Company will make reasonable attempts to aggregate the information so as to comply with the applicable rules. The

Company will not be obligated to provide such aggregated information if it believes such aggregation will not allow the Company to comply with the applicable rules.

- 10) Upon request by either Party, the Company will meet with the Municipality. Through a mutual exchange of information the Company will keep the Municipality apprised of the Company's construction and upgrading programs planned for the Municipal Service Area and the Municipality will advise the Company of any issues or plans relating to, or potentially impacting, the Natural Gas Distribution System.

SCHEDULE "B" Extra Services

Nothing in this Agreement precludes the Parties from contracting for Extra Services outside the provisions of this Agreement. In the event the Parties do elect to contract for the provision of Extra Services within the provisions of this Agreement and unless otherwise agreed upon by the Parties, nothing in this Agreement will preclude the Company from sub-contracting with third parties for the provision of Extra Services.

Subject to Commission approval, as may be required, any payments from the Municipality to the Company for Extra Services, if agreed to by the Municipality, may be deducted from the Franchise Fee collected from Consumers and otherwise remitted to the Municipality pursuant to paragraph 5 of this Agreement. The timing and quantum of such payments will be as agreed upon by the Parties and set forth in (insert paragraph number from Schedule B) of this Schedule.

NATURAL GAS DISTRIBUTION SYSTEM FRANCHISE AGREEMENT

2025

BETWEEN:

Town of High Level

- AND -
Apex Utilities Inc.

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NATURAL GAS DISTRIBUTION SYSTEM FRANCHISE AGREEMENT

BETWEEN:

Town of High Level,
a municipality located in the Province of Alberta
(the “**Municipality**”)

OF THE FIRST PART

– and –

Apex Utilities Inc.,
a corporation having its head office at the City of Leduc,
in the Province of Alberta
(the “**Company**”)
OF THE SECOND PART

WHEREAS the Municipality desires to grant and the Company, collectively the “**Parties**”, desires to obtain an exclusive franchise to provide Natural Gas Distribution Service within the Municipal Service Area on the terms and conditions herein contained;

NOW THEREFORE in consideration of the mutual covenants and promises herein contained, the Parties hereby agree as follows:

1) Definitions and Interpretation

Unless otherwise expressly provided in this Agreement, the words, phrases and expressions in this Agreement will have the meanings attributed to them as follows:

- a) “**Agreement**” means this Natural Gas Distribution System Franchise Agreement;
- b) “**Alternative Course of Action**” shall have the meaning set out in paragraph 14 (c);
- c) “**Commission**” means the Alberta Utilities Commission (AUC) as established under the *Alberta Utilities Commission Act* (Alberta);
- d) “**Company**” means the Party of the second part to this Agreement and includes its successors and permitted assigns;
- e) “**Construct**” means constructing, reconstructing, upgrading, extending, relocating, or removing any part of the Natural Gas Distribution System;

- f) **“Consumer”** or **“Consumers”** as the text may require, means any individual, group of individuals, firm or body corporate, including the Municipality, with premises or facilities located within the Municipal Service Area from time to time that are provided with Natural Gas Distribution Service by the Company pursuant to the Company’s Delivery Tariff;
- g) **“Core Services”** means all those services set forth in Schedule “A” of this Agreement;
- h) **“Delivery Tariff”** means the rates and Terms and Conditions of service approved by the Commission from time to time on an interim or final basis, as the case may be, for the Company to deliver Natural Gas to the Consumer;
- i) **“Electronic Format”** means any document or other means of communication that is created, recorded, transmitted or stored in digital form or in any other intangible form by electronic, magnetic or optical means or by any other computer-related means that have similar capabilities for creation, recording, transmission or storage;
- j) **“Extra Services”** means those services set forth in Schedule “B” that are requested by the Municipality for itself or on behalf of its citizens and provided by the Company in accordance with paragraph 7 of this Agreement;
- k) **“GUA”** means the *Gas Utilities Act* (Alberta);
- l) **“Intended Time Frame”** shall have the meaning set out in paragraph 14 (c);
- m) **“Maintain”** means to maintain and keep in good repair any part of the Natural Gas Distribution System;
- n) **“Major Work”** means any Work to Construct or Maintain the Distribution System that costs more than _____ (\$_____) Dollars;
- o) **“MGA”** means the *Municipal Government Act* (Alberta);
- p) **“Modified Plans”** shall have the meaning set out in paragraph 14 (c)(ii);
- q) **“Municipality”** means the Party of the first part to this Agreement;
- r) **“Municipal Compensation”** shall have the meaning set out in paragraph 20;
- s) **“Municipal Service Area”** means the geographical area within the legal boundaries of the Municipality where the Company has been granted rights hereunder in connection with, among other matters, Natural Gas Distribution Service, as altered from time to time;
- t) **“Municipal Property”** means all property, including lands and buildings, owned, controlled or managed by the Municipality within the Municipal Service Area;
- u) **“Natural Gas”** means a combustible mixture of hydrocarbon gases;

- v) **“Natural Gas Distribution Service”** means the delivery of Natural Gas in accordance with the Company’s Delivery Tariff;
- w) **“Natural Gas Distribution System”** means any facilities owned by the Company which are used to provide Natural Gas Distribution Service within the Municipal Service Area, and without limiting the generality of the foregoing, will include all mains, pipes, conduits, valves and all other installations used and required for the purpose of delivering Natural Gas to the Consumer within the Municipal Service Area and includes any Natural Gas transmission lines owned by the Company within the Municipal Service Area;
- x) **“NOVA Gas Transmission Ltd. (NGTL)”** means NGTL and its successors, as applicable, for purposes of paragraph 5 g) of this Agreement. For greater certainty, the provisions of paragraph 5 g) may only apply in relation to franchises held by ATCO;
- y) **“Operate”** means to operate the Natural Gas Distribution System, or to interrupt or restore service in any part of the Natural Gas Distribution System, in a safe and reliable manner;
- z) **“Party”** means any party to this Agreement and **“Parties”** means all of the parties to this Agreement;
- aa) **“Plans and Specifications”** means the plans, drawings and specifications reasonably necessary to properly assess and review proposed Work prior to issuance of any approval that may be required under this Agreement;
- bb) **“Term”** means the term of this Agreement set out in paragraph 2;
- cc) **“Terms and Conditions”** means the terms and conditions contained within the Delivery Tariff in effect from time to time for the Company as approved by the Commission;
- dd) **“Work”** means any work to Construct or Maintain the Natural Gas Distribution System; and
- ee) **“Work Around Procedures”** shall have the meaning set out in paragraph 14 (c)(ii).

The words “hereof”, “herein”, “hereunder” and other words of similar import refer to this Agreement as a whole, including any attachments hereto, as the same may from time to time be amended or supplemented and not to any subdivision contained in this Agreement. Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders. References to provisions of statutes, rules or regulations will be deemed to include references to such provisions as amended, modified or re-enacted from time to time. The word “including” when used herein is not intended to be exclusive and in all cases means “including without limitation”. References herein to a section, paragraph, clause, Article or provision will refer to the appropriate section, paragraph, clause, article or provision of this Agreement. The descriptive headings of this Agreement are inserted for convenience of reference only and do not constitute a part of and will not be utilized in interpreting this Agreement.

2) Term

- a) Subject to sub-paragraph 2(b), this Agreement will be for a minimum term of ten years, commencing on the later of:
 - i) _____ day of _____, 20____; and
 - ii) the first (1st) business day after both of the following have occurred:
 - A. the Commission has approved and acknowledged this Agreement; and
 - B. Council of the Municipality has passed third reading of the applicable adopting bylaw.
- b) This Agreement will expire on the ____ day of _____, 20____.
- c) It is agreed this Agreement supersedes and replaces any prior Natural Gas franchise agreements between the Municipality and the Company.

3) Expiry of Term of Agreement

- a) Provided the Company gives written notice to the Municipality not less than twelve (12) months prior to the expiration of the Term of its intention to negotiate a new franchise agreement, at any time following the expiration of the Term, and if the Municipality has not provided written notice to the Company to exercise its rights to purchase the Natural Gas Distribution System, either Party may submit any items in dispute pertaining to a new franchise agreement to binding arbitration by the Commission.
- b) Subject to subparagraph 3c) of this Agreement, upon expiry of the Term, this Agreement will continue in effect pursuant to the provisions of the MGA.
- c) Commencing one (1) year following the expiration of the Term of this Agreement, unless either Party has invoked the right to arbitration referred to in subparagraph 3a) , or the Municipality has given written notice to purchase the Natural Gas Distribution System, this Agreement will be amended to provide the following:
 - i) Fifty percent (50%) of the franchise fee otherwise payable under this Agreement to the Municipality will be held back and deposited in trust in an interest bearing trust account by the Company, for the sole benefit of the Municipality. The trust money along with all accumulated interest will be paid to the Municipality immediately upon execution of another Natural Gas Franchise Agreement with the Company, or if the Municipality purchases the Natural Gas Distribution System, or if the Company transfers or sells the Natural Gas Distribution System, or upon further Order of the Commission.
- d) In the event a franchise agreement template is approved by the Commission during the Term of this Agreement and the provisions are materially different from the provisions of this

Agreement, the Parties may, by agreement in writing, amend this Agreement to conform to such franchise agreement template.

4) Grant of Franchise

- a) Subject to the terms and conditions hereof, the Municipality hereby grants to the Company the exclusive right within the Municipal Service Area to:
 - i) provide Natural Gas Distribution Service;
 - ii) Construct, Operate, and Maintain the Natural Gas Distribution System; and
 - iii) use portions of roads, rights-of-way, and other lands owned, controlled or managed by the Municipality which have been designated by the Municipality for such use and which are necessary to provide Natural Gas Distribution Service or to Construct, Operate and Maintain the Natural Gas Distribution System.
- b) Subject to subparagraph 4c) , and to the terms and conditions hereof, the Municipality agrees it will not, during the Term, grant to any other person, firm or corporation, the right to Construct, Operate and Maintain any natural gas distribution system nor the exclusive right to use the portions of the roads, rights-of-way and other lands owned, controlled or managed by the Municipality which have been designated by the Municipality for such use and which are necessary to provide Natural Gas distribution service or to Construct, Operate and Maintain a Natural Gas distribution system, for the purpose of delivering Natural Gas in the Municipal Service Area for Consumers, so long as the Company delivers the Consumers' requirements of Natural Gas.
- c) The Company agrees to:
 - i) bear the full responsibility of an owner of a Natural Gas distribution system and to ensure all services provided pursuant to this Agreement are provided in accordance with the Delivery Tariff, insofar as applicable;
 - ii) Construct, Operate and Maintain the Natural Gas Distribution System;
 - iii) use designated portions of roads, rights-of-way, and other lands including other lands owned, controlled or managed by the Municipality necessary to Construct, Operate and Maintain the Natural Gas Distribution System, including the necessary removal, trimming of trees, shrubs or bushes or any parts thereof; and
 - iv) use the Municipality's roads, rights-of-way and other Municipal Property granted hereunder solely for the purpose of providing Natural Gas Distribution Service and any other service contemplated by this Agreement.

5) Franchise Fee

a) Calculation of Franchise Fee

In consideration of the rights granted pursuant to paragraph 4 and the mutual covenants herein and subject to Commission approval the Company agrees to collect from Consumers and pay to the Municipality a franchise fee. The Parties agree s. 360(4) of the *MGA*, as amended, does not apply to the calculation of the franchise fee in this Agreement. For each calendar year the franchise fee will be calculated as a percentage of the Company's actual total revenue derived from the Delivery Tariff, including without limitation the fixed charge, base energy charge, demand charge, but excluding the cost of Natural Gas (being the calculated revenues from the Natural Gas cost recovery rate rider or the deemed cost of Natural Gas and Natural Gas supply related riders) in that year for Natural Gas Distribution Service within the Municipal Service Area.

For the first (1st) calendar year or portion thereof of the Term of this Agreement, the franchise fee percentage will be ____ percent (____ %).

By no later than September 1st of each year, the Company will:

- i) advise the Municipality in writing of the total revenues that were derived from the Delivery Tariff within the Municipal Service Area for the prior calendar year; and
- ii) with the Municipality's assistance, provide in writing an estimate of total revenues to be derived from the Delivery Tariff within the Municipal Service Area for the next calendar year.

b) Adjustment to the Franchise Fee

At the option of the Municipality and subject to Commission approval, the franchise fee percentage may be changed annually by providing written notice to the Company.

If the Municipality wishes to amend the franchise fee percentage, then the Municipality will, no later than November 1st in any year of the Term, advise the Company in writing of the franchise fee percentage to be charged for the following calendar year. Upon receipt of notice, the Company will work with the Municipality to ensure all regulatory requirements are satisfied on a timely basis and agrees to use best efforts to obtain approval from the Commission for implementation of the proposed franchise fee percentage as and from January 1st of the following calendar year.

If the Municipality provides written notice at any other time with respect to a franchise fee change, the Company will implement the new franchise fee percentage as soon as reasonably possible.

c) Notice to Change Franchise Fee

Prior to implementing any change to the franchise fee, the Municipality will notify its intent to change the level of the franchise fee and the resulting effect such change will have on an average residential Consumer's annual Natural Gas bill through publication of a notice once

in the newspaper with the widest circulation in the Municipal Service Area at least forty five (45) days prior to implementing the revised franchise fee. A copy of the published notice will be filed with the Commission.

d) **Payment of Franchise Fee**

The Company will pay the Municipality the franchise fee amount billed to Consumers on a monthly basis within forty-five (45) days after billing Consumers.

e) **Franchise Fee Cap**

The franchise fee percentage will not at any time exceed thirty five percent (35%) without prior Commission approval.

f) **Reporting Considerations**

Upon request, the Company will provide to the Municipality, along with payment of the franchise fee amount information on the total Delivery Tariff billed, the franchise fee percentage applied, and the derived franchise fee amount used by the Company to verify the payment of the franchise fee amount as calculated under this paragraph 5.

g) **Franchise Fees Collected from NOVA Gas Transmission Ltd. Customers**

In the event certain customers in the Municipal Service Area connected to the Company's Natural Gas Distribution System are customers of the NOVA Gas Transmission Ltd. (NGTL), a franchise fee will be collected from such customers by NGTL in accordance with NGTL's applicable tariff and such franchise fee once remitted to the Company will be aggregated with the franchise fee as calculated in paragraph 5 a) to be dealt with in accordance with paragraph 5 d).

6) Core Services

The Company agrees to provide to the Municipality the Core Services set forth in Schedule "A". The Company and the Municipality may amend Schedule "A" from time to time upon mutual agreement.

7) Provision of Extra Services

Subject to an agreement being reached, the Company agrees to provide to the Municipality the Extra Services, if any, set forth in Schedule "B", as requested by the Municipality from time to time. The Company is entitled to receive from the Municipality a reasonable amount for full compensation for the provision of the Extra Services in accordance with Schedule "B". The Company and the Municipality may amend Schedule "B" from time to time upon mutual agreement.

Any breach by the Company in connection with the provision of any Extra Services contained in this Agreement will not constitute a breach of a material provision of this Agreement for the purposes of paragraph 9.

8) Municipal Taxes

Amounts payable to the Municipality pursuant to this Agreement will be (without duplication) in addition to the municipal taxes and other levies or charges made by the Municipality against the Company, its land and buildings, linear property, machinery and equipment.

9) Right to Terminate on Default

In the event either Party breaches any material provision of this Agreement, the other Party may, at its option, provide written notice to the Party in breach to remedy such breach. If the said breach is not remedied within two (2) weeks after receipt of the written notice or such further time as may be reasonably required by the Party in breach using best efforts on a commercially reasonable basis, the Party not in breach may give six (6) months notice in writing to the other Party of its intent to terminate this Agreement, and unless such breach is remedied to the satisfaction of the Party not in breach acting reasonably this Agreement will terminate six (6) months from the date such written notice is given, subject to prior Commission approval.

10) Sale of Natural Gas Distribution System

Upon the expiration of the Term of this Agreement or the termination of this Agreement pursuant to the terms and conditions hereof or by operation of law or order of a governmental authority or court of law having jurisdiction the Municipality may, subject to the approval of the Commission under Section 47 of the MGA:

- i) exercise its right to require the Company to sell to it the Natural Gas Distribution System within the Municipal Service Area pursuant to the provisions of the MGA, where applicable; or
- ii) if such right to require the Company to sell the Natural Gas Distribution System is either not applicable or has been repealed, require the Company to sell to it the Natural Gas Distribution System. If, upon the expiration of the Agreement, the parties are unable to agree on the price or on any other terms and conditions of the purchase, the unresolved matters will be referred to the Commission for determination.

11) Provision of Detailed Plans and Equipment

a) Detailed Plans

The Company agrees to provide to the Municipality for the Municipality's purposes only, the most current set of detailed plan sheets including as-built drawings and specifications showing

the locations (excluding depth) and alignments of the Natural Gas Distribution System, excepting service lines and installations on private property, according to the plan sheets in hard copy and in Electronic Format, where available, together with as many prints of the overall Natural Gas Distribution System as the Municipality may reasonably require. These plans and plan sheets will be updated by the Company on at least an annual basis.

The Municipality will, upon reasonable request, provide to the Company any subdivision development plans of the Municipality in hard copy and in Electronic Format, where available. The subdivision development plans are provided to the Company for the sole purpose of assisting the Company in delivering Natural Gas to the Consumer.

b) Provision of Equipment

The Company agrees to provide the Municipality's fire department with the equipment necessary for the operation of curb boxes and service valves. In case of fire, the service valves may be turned off by the fire department if they reach a fire before the Company's representative. The Municipality will notify one of the Company's representatives of fires which may affect the Natural Gas Distribution System and/or the operations thereof as quickly as reasonably possible or, in the event they cannot reach a Company representative, the Municipality will advise the Company's standby personnel of such fires. The Company will ensure its representatives reasonably cooperate with the Municipality in preventing, controlling and investigating fires involving or affecting the Natural Gas Distribution System.

12) Right of First Refusal to Purchase

- a) If during the Term of this Agreement, the Company receives a *bona fide* arm's length offer to operate, take control of, or purchase the Natural Gas Distribution System within the Municipal Service Area, which the Company is willing to accept, then the Company will promptly give written notice to the Municipality of the terms and conditions of such offer and the Municipality will during the next one hundred and twenty (120) days, have the right of first refusal to operate, take control of or purchase the Natural Gas Distribution System, as the case may be, for the same price and upon the terms and conditions contained in the said offer.

Notwithstanding the foregoing, in the event the Municipality fails or refuses to exercise its right of first refusal, the Municipality will retain the right to withhold its consent to an assignment of this Agreement in accordance with paragraph 20 below. For the purposes of this paragraph 12, "operate, take control" will not be construed as including the subcontracting by the Company of only some portions of its operations where the Company continues to be responsible for the performance of this entire Agreement;

- b) If the Municipality does not exercise its right of first refusal and the said *bona fide* offer the Company is willing to accept does not proceed to closure, the Municipality retains its right of first refusal on any other offer.
- c) This right of first refusal applies where the offer pertains only to the entire Natural Gas Distribution System. The right of first refusal does not apply to offers that include any other distribution systems or distribution facilities of the Company located outside of the Municipal

Service Area. If such offer includes other distribution systems of the Company, the aforesaid right of first refusal will be of no force and effect and will not apply.

- d) Where the Municipality exercises its rights to purchase the Natural Gas Distribution System from the Company and thereby acquires the Natural Gas Distribution System, the Municipality agrees, should it no longer wish to own the Natural Gas Distribution System within five (5) years after it acquires the said system and the Municipality receives any *bona fide* offer from an arms-length third party to purchase the Natural Gas Distribution System, which it is willing to accept, then it will promptly give written notice to the Company of the terms and conditions of such offer. The Company will during the next one hundred and twenty (120) days have the first right of refusal to purchase the Natural Gas Distribution System for the same price and upon the same terms and conditions as contained in the said offer.
- e) The Municipality's right of first refusal will not apply where the Company has agreed to transfer the Natural Gas Distribution System to a third party utility company in exchange for certain other assets provided all of the following conditions are met:
 - i) the third party utility can demonstrate to the reasonable satisfaction of the Municipality that it meets the necessary technical and financial requirements to own and operate the Natural Gas Distribution System;
 - ii) the only consideration that will be exchanged between the Company and the third party utility company is the transfer and exchange of assets and monetary consideration limited to a maximum of 49% of the net book value of the Natural Gas Distribution System;
 - iii) there is no adverse impact to the Municipality resulting from the transfer and exchange above referenced as determined by the Commission;
 - iv) the Company and the third party utility company obtain all the requisite regulatory requirements prior to completing the transfer and exchange; and
 - v) full compensation is paid to the Municipality for all reasonable costs including administrative and legal costs incurred by the Municipality in ensuring all of the conditions i) through iv) above are satisfied.

13) Construction and/or Maintenance of Natural Gas Distribution System

a) Municipal Approval

Before undertaking any Major Work, or in any case in which the Municipality specifically requests any Major Work, the Company will submit to and obtain the written approval from the Municipality, or its authorized officers, of the Plans and Specifications for the proposed Major Work and its location. Approval by the Municipality granted in accordance with this paragraph will be limited to an approval of the location and alignment of the Major Work only, and will not signify approval of the structural design or the ability of the work to perform the function for which it was intended.

Prior to commencing the Work, the Company will obtain such other applicable permits as are required by the Municipality. The Company will notify the Municipality of all Work done within the Municipal Service Area prior to commencing the Work where reasonably practicable. However, only Major Work is subject to a formal approval process.

The Company will obtain prior written approval from the Municipality for any traffic lane or sidewalk closures required to be made at least forty-eight (48) hours prior to the commencement of the proposed Work.

For the purposes of obtaining the approval of the Municipality for Major Work under this Agreement, the Company will provide the Municipality with the Plans and Specifications for the proposed Major Work in Electronic Format (or upon request, the Company will provide the Municipality with a hard copy of the materials). The Plans and Specifications will include a description of the project and drawings of a type and format generally used by the Company for obtaining approvals from municipalities and will illustrate the proposed changes to the Natural Gas Distribution System.

b) Restoration of Municipal Property

The Company agrees when it or any agent employed by it undertakes any Work on any Municipal Property, the Company will complete the said Work promptly and in a good and workmanlike manner and, where applicable, in accordance with the approved Plans and Specifications. Further, and unless otherwise agreed to by the Parties, the Company will forthwith restore the Municipal Property to the same state and condition, as nearly as reasonably possible, in which it existed prior to the commencement of such Work, subject to reasonable wear and tear and to the satisfaction of the Municipality acting reasonably.

The Company will, where reasonably practicable and prudent, locate its pipelines and related equipment in lanes and alleys rather than in the streets and main thoroughfares.

The Company further covenants it will not unduly interfere with the works of others or the works of the Municipality. Where reasonable and in the best interests of both the Municipality and the Consumer, the Company will cooperate with the Municipality and coordinate the installation of the Natural Gas Distribution System along the designated rights-of-way pursuant to the direction of the Municipality. During the performance of the Work, the Company will use commercially reasonable efforts to not interfere with existing Municipal Property and to cause as little damage as possible to the property of others (including the Municipality Property). If the Company causes damage to any existing Municipal Property during the performance of any Work, it will cause such damage to be repaired at its own cost.

Upon default by the Company or its agent to repair damage caused to Municipal Property as set out above, the Municipality may provide written notice to the Company to remedy the default. If the default is not remedied within two (2) weeks after receipt of the written notice or such further time as may be reasonably required and requested by the Company using best efforts on a commercially reasonable basis to remedy the default, the Municipality may undertake such repair work and the Company will be liable for the reasonable costs thereof.

c) Urgent Repairs and Notification to Municipality

If any repairs or maintenance required to be made to the Natural Gas Distribution System are of an urgent nature where the operation or reliability of the Natural Gas Distribution System is materially compromised or potentially materially compromised, the Company will be entitled to conduct such repairs or maintenance as are commercially reasonable without prior notice to the Municipality and, unless otherwise specified by the Municipality, the Company will provide notice to the Municipality as soon as practicable and, in any event, no later than seventy-two (72) hours after the repairs are commenced.

d) Company to Obtain Approvals from Other Utilities

The Company will be solely responsible for locating, or causing to be located, all existing utilities or utility mains, pipes, valves and related facilities in, on or adjacent to the Work site. The Company will notify all other utility operators and ensure utilities and utility mains, pipes, valves and related facilities are staked prior to commencement of construction. Unless the Municipality has staked the location for the utility property, staking will not be deemed to be a representation or warranty by the Municipality the utility or utility property are located as staked. The Municipality will not be responsible for any damage caused by the Company to any utility or any third party as a result of the Company's Work, unless the Municipality has improperly staked the utility property. Approval must be obtained by the Company from the owner of any third party utility prior to relocation of any facility owned by such third party utility.

e) Revised Plans and Specifications

Following completion of the Major Work, the Company will provide the Municipality with the revised Plans and Specifications, updated after construction, in Electronic Format, where available and upon request, the Company will provide the Municipality with a hard copy of the materials within three (3) months of the request. The Company will provide the Municipality with copies of any other revised Plans and Specifications as reasonably requested by the Municipality. For the purposes of this paragraph and paragraph 11, the Company may satisfy its obligations to provide revised Plans and Specifications in Electronic Format by:

- i) advising the Municipality the revised Plans and Specifications are posted to a web-based forum that contains such information; and
- ii) allowing the Municipality access to such web-based forum.

f) Approvals

Where any approvals are required to be obtained from either Party under this paragraph, such approvals will not be unreasonably withheld.

The Company will ensure all Work is performed in accordance with the requirements of all applicable legislation, rules and regulations. The Company will immediately notify the Municipality of any lien, claim of lien or other action of which it has or reasonably should have knowledge, and will cause the same to be removed within thirty (30) days (or such additional time as the Municipality may allow in writing), failing which the Municipality may take such action as it reasonably deems necessary to remove the same and the entire cost thereof will be immediately due and payable by the Company to the Municipality.

14) Responsibilities For Cost of Relocations

- a) Upon receipt of one (1) year's notice from the Municipality, the Company will, at its own expense, relocate to Municipal Property such part of the Natural Gas Distribution System that is located on Municipal Property as may be reasonably required by the Municipality due to planned municipal construction. In order to encourage the orderly development of Municipal facilities and the Natural Gas Distribution System, the Municipality and the Company agree they will meet regularly to:
 - i) review the long-term facility plans of the Municipality and the Company; and
 - ii) determine the time requirements and costs for final design specifications for each relocation. Providing the Municipality is not the developer requesting the relocation for commercial or residential resale to third parties, the Company will bear the expenses of the required relocation.
- b) Notwithstanding the foregoing, the Company will not be required to move any part of the Natural Gas Distribution System after receipt of notice from the Municipality in accordance with this paragraph where:
 - i) the Company has illustrated to the satisfaction of the Municipality, acting reasonably, an appropriate Alternative Course of Action is available;
 - ii) the Municipality has provided the Company with its written approval of the Alternative Course of Action (which approval may not be unreasonably withheld by the Municipality); and
 - iii) the Company has provided its written undertaking to carry out the Alternative Course of Action promptly and within a sufficiently short period of time so as to ensure the Municipality will be left with sufficient time to complete the said planned municipal construction within the Intended Time Frame (taking into account any delays which the Municipality may encounter as a result of the Company utilizing the Alternative Course of Action).

- c) For the purposes of this paragraph 14, the term “Alternative Course of Action” will mean any course of action that will enable the Municipality to complete the said Municipal construction and will result in a net cost savings to the Company (taking into account all additional costs incurred by the Company in carrying out the Alternative Course of Action and any additional costs which the Municipality may incur and which the Company will be required to pay in accordance with this paragraph 14 and “Intended Time Frame” will mean the period of time within which the Municipality would have reasonably been able to complete the said Municipal construction if the Company would have relocated the Natural Gas Distribution System in accordance with this paragraph 14.

If the Municipality agrees to permit the Company to utilize an Alternative Course of Action, the Company will pay any and all costs incurred in carrying out the Alternative Course of Action and will pay on demand to the Municipality (on a full indemnity basis) any and all costs incurred by the Municipality:

- i) in conducting a review of the Alternative Course of Action to determine whether the Alternative Course of Action is acceptable to the Municipality;
 - ii) in modifying any plans the Municipality may have prepared in respect of the said municipal construction (“Modified Plans”) or in preparing or developing plans and procedures (“Work Around Procedures”) to work around the Natural Gas Distribution System or any improvement, thing, or component utilized by the Company in effecting the Alternative Course of Action; and
 - iii) in the course of conducting the said planned municipal construction where such costs would not have been incurred by the Municipality if the Company had relocated the Natural Gas Distribution System in accordance with this paragraph 14 (including any reasonable additional cost the Municipality may incur in completing the said municipal construction in accordance with the Modified Plans or in effecting any Work Around Procedures).
- d) The following example illustrates the intended application of the foregoing provisions:

Where:

- i) The Municipality requires the Company to move a Natural Gas line so the Municipality can replace its own sewer lines. The cost of moving the Natural Gas line is \$10,000. The cost of carrying out the replacement of the sewer line after moving the Natural Gas line is \$40,000;
- ii) The Company proposes to simply brace the Natural Gas line (at a cost of \$2,000) and the Municipality, acting reasonably, approves of this as an Alternative Course of Action;
- iii) As a result of having to prepare Modified Plans and to prepare and implement Work Around Procedures to work around the braces, the actual cost incurred by the Municipality in replacing the sewer line is \$45,000 (being a net increase in cost of \$5,000);

the Company is required to pay the \$2,000 cost of the bracing together and the additional cost of \$5,000 incurred by the Municipality (resulting in a net savings of \$3,000 to the Company).

In cases of emergency, the Company will take all measures that are commercially reasonable and necessary to ensure public safety with respect to relocating any part of the Natural Gas Distribution System that may be required in the circumstances.

If the Company fails to complete the relocation of the Natural Gas Distribution System or fails to repair or do anything else required by the Company pursuant to this subparagraph without valid justification and in a timely and expeditious manner to the satisfaction of the Municipality's representative, acting reasonably, the Municipality may, but is not obligated to, complete such relocation or repair and the Company will pay the reasonable costs of such relocation or repair forthwith to the Municipality. If the Municipality chooses to complete such relocation or repair the Municipality will ensure such work is completed using the Company's design specifications and standards, as provided by the Company, including the use of good and safe operating practices.

The Municipality is not responsible, either directly or indirectly, for any damage to the equipment which forms part of the Natural Gas Distribution System which may occur during its installation, maintenance or removal by the Company, nor is the Municipality liable to the Company for any losses, claims, charges, damages and expenses whatsoever suffered by the Company including claims for loss of revenue or loss of profits, on account of the actions of the Municipality, its agents or employees, working in, under, over, along, upon and across its highways and rights-of-ways or other Municipal Property other than direct loss or damage to the Company caused by the negligence or wilful misconduct of the Municipality, its agents or employees.

In the event the relocation or any part thereof requires the approval of a third party, the Municipality will use reasonable efforts to assist the Company in any negotiation with such third party to obtain the necessary approval(s).

In the event the relocation results from the demand or order of an authority having jurisdiction, other than the Municipality, the Municipality will not be responsible for any of the costs of such relocation.

15) Natural Gas Distribution System Expansion

Subject to the Terms and Conditions, and at no cost to the Municipality unless otherwise provided for under the Terms and Conditions, the Company will, on a timely basis, use its best efforts on a commercially reasonable basis to meet the Natural Gas Distribution System expansion requests of the Municipality or a Consumer and provide the requisite facilities for connections for new Consumers to the Natural Gas Distribution System.

16) Increase in Municipal Boundaries

Where the Municipality increases its geographical area, through annexation or amalgamation, as understood under the MGA, by the greater of 640 acres and twenty five (25%) percent of the current area or more, the Municipality will have the option to:

- (a) terminate this Agreement provided the Municipality gives notice in writing to the Company of its intention to do so; or
- (b) add the increased area to the Municipal Service Area already served by the Company so that the rights and obligations contained in this Agreement will apply in respect of the Municipal Service Area, including the increased area.

For all other increases to the Municipal Service Area through annexation or amalgamation as understood under the MGA, the rights and obligations contained in this Agreement will apply in respect of the whole Municipal Service Area, including the increased area.

17) Joint Use of Municipal Rights-of-Way

a) Municipal Use

The Municipality will upon written notice to the Company have, for any reasonable municipal purpose, the right to make use of any municipal rights-of-way granted to the Company by the Municipality, provided such use complies with good and safe operating practices, as determined by the Company acting reasonably, applicable legislation, and does not unreasonably interfere with the Company's use thereof, at no charge to the Municipality. The Municipality is responsible for its own costs and any necessary and reasonable costs incurred by the Company including the costs of any alterations that may be required in using municipal rights-of-way.

b) Third Party Use and Notice

If any third party, including other utilities, desire to jointly use the municipal rights-of-way, the Company agrees it will not grant the third party joint use except in accordance with this paragraph, or unless otherwise directed by any governmental authority or court of law having jurisdiction.

The Company agrees the following procedure will be used in granting permission to third parties desiring joint use of the municipal rights-of-way:

- i) first, the third party will be directed to approach the Company to initially request conditional approval from the Company to use that part of the municipal rights-of-way it seeks to use;
- ii) second, upon receiving written conditional approval from the Company, the third party will be directed to approach the Municipality to obtain its written approval to jointly use that part of the municipal rights-of-way. As a condition of granting its consent, the

Municipality may require such third party enter into an agreement with the Municipality, and such agreement may require such third party pay compensation to the Municipality; and

- iii) third, upon receiving written conditional approval from the Municipality, the third party will be directed to obtain final written approval from the Company to jointly use that part of the municipal rights-of-way. Once a joint use agreement has been entered into between the Company and the third party, it will not be subsequently amended without the written consent of the Municipality (which consent will not be unreasonably withheld).

c) Cooperation

The Company and the Municipality agree they will use reasonable efforts to cooperate with each other in encouraging the use of joint trenching and in any negotiations with third parties desiring joint use of any part of the municipal rights-of-way located on Municipal Property.

d) Payment

The compensation paid or to be paid by such third party to the Municipality for the use of the Municipal Property including its rights-of-way, will be determined between the Municipality and the third party.

The compensation paid or to be paid by such third party to the Company for the joint use of any portion of the municipal rights-of-way will be determined between the Company and the third party, subject to the jurisdiction of any governmental authority over the matter and the Municipality's right to intervene in any related regulatory proceeding.

e) Provision of Agreements

Upon reasonable request by the Municipality, copies of these agreements will be updated by the Company and provided to the Municipality at no cost to the Municipality.

18) Municipality as a Retailer

The provisions of this Agreement will not in any way restrict the right of the Municipality to become a retailer within the meaning of the GUA.

19) Reciprocal Indemnification and Liability

- a) The Company will indemnify and save the Municipality, its servants, agents, employees, licensees, contractors and invitees, harmless from and against any and all liability, actions, demands, claims, damages, losses and expenses (including all legal costs and disbursements), including indemnity from and against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien, encumbrance or otherwise, arising out of any Work performed by or for the Company, which may be brought against or suffered, sustained, paid or incurred by

the Municipality, its servants, agents, employees, contractors, licensees and invitees, arising from, or otherwise caused by:

- i) any breach by the Company of any of the provisions of this Agreement; or
 - ii) the negligence or wilful misconduct of the Company, or any of its servants, agents, employees, licensees, contractors or invitees in carrying on its business within the Municipal Service Area.
- b) The Municipality will indemnify and save the Company, its servants, agents, employees, licensees, contractors and invitees, harmless from and against any and all liability, actions, demands, claims, damages, losses and expenses (including all legal costs and disbursements) which may be brought against or suffered, sustained, paid or incurred by the Company, its servants, agents, employees, licenses, contractors and invitees, arising from, or otherwise caused by:
- i) any breach by the Municipality of any of the provisions of this Agreement; or
 - ii) the negligence or wilful misconduct of the Municipality, or any of its servants, agents, employees, licensees, contractors or invitees, in carrying on the business of the Municipality.
- c) Notwithstanding anything to the contrary herein contained, in no event will the Municipality or the Company be liable under this Agreement, in any way, for any reason, for any indirect, special or consequential damages (including damages for pure economic loss, loss of profits, loss of earnings or loss of contract), howsoever caused or contributed to.

20) Assignment

In the event the Company agrees to sell the Natural Gas Distribution System to a third party purchaser, the Company will comply with paragraph 10 above. In addition, the Company will request the third party purchaser confirm in writing it will agree to all the terms and conditions of this Agreement between the Company and the Municipality. The Company agrees it will provide to the Municipality a copy of the third party purchaser's confirmation letter.

The Company agrees to provide the Municipality with reasonable prior written notice of a sale of the Natural Gas Distribution System to a third party purchaser. The Parties will thereafter meet to discuss the technical and financial capabilities of the third party purchaser to perform and satisfy all terms and conditions of the Agreement, and the compensation payable to the Municipality for all costs including administrative and legal costs relating to providing its written consent to the Assignment("Municipal Compensation").

The Municipality has thirty (30) days from the meeting date with the Company to provide written notice to the Company of its intention to consent or withhold its consent to the assignment of the Agreement to the third party purchaser. The Company agrees the Municipality may provide notice of its intention to withhold its consent to the assignment of this Agreement to the third party purchaser if the Municipal Compensation is inadequate or if the third party purchaser fails to

covenant, in favour of the Municipality, to perform and observe all of the covenants and obligations of the Company to be performed and observed under this Agreement and otherwise solely on the basis of reasonable and material concerns regarding the technical capability or financial wherewithal of the third party purchaser to perform and satisfy all terms and conditions of the Agreement. In this case, such notice to the Company must specify in detail the Municipality's concern.

Should the Municipality not reply within the thirty (30) day period, it is agreed the Municipality will be deemed to have consented to the assignment. The Company further agrees when it applies to the Commission for approval of the sale, it will include in the application any notice received from the Municipality, including the reasons given by the Municipality for withholding its consent. The Municipality will have the right to make its own submissions to the Commission.

Subject to the Company having fulfilled the obligations outlined in the preceding three paragraphs, the Company will be entitled to assign this Agreement to an arm's length third party purchaser of the Natural Gas Distribution System without the consent of the Municipality, subject to paying the Municipal Compensation for the assignment, and having obtained the Commission's approval for the sale of the Natural Gas Distribution System and, the third party purchaser's confirmation in writing that it agrees to all the terms and conditions of this Agreement.

Where the Commission approves such sale of the Natural Gas Distribution System to a third party and the third party provides written confirmation to assume all liabilities and obligations of the Company under this Agreement, then upon the assignment of this Agreement and the payment of the Municipal Compensation for its consent to the Assignment subject to Commission approval, the Company will be released from all its liabilities and obligations thereunder.

The Company will be entitled to assign this Agreement to a subsidiary or affiliate of the Company without the Municipality's written consent. Where the Company assigns this Agreement to a subsidiary or affiliate, the Company will remain jointly and severally liable.

Further, it is a condition of any assignment that the subsidiary, affiliate or third party purchaser, as the case may be, will provide written notice to the Municipality indicating it will assume all liabilities and obligations of the Company under this Agreement.

Any disputes arising under the operation of this paragraph will be submitted to the Commission for determination.

21) Notices

- a) All notices, demands, requests, consents, or approvals required or permitted to be given pursuant to the terms of this Agreement will be in writing and will be deemed to have been properly given if personally served, sent by registered mail or sent in Electronic Format to the Municipality or to the Company as the case may be, at the addresses set forth below:

- i) To the Company:

Apex Utilities Inc.
5509 45th Street
Leduc, AB T9E 6T6
Email: businessdevelopment@apexutilities.ca
Attention: Business Development

- ii) To the Municipality:

Town of High Level
10511 103 Street
High Level, AB T0H 1Z0

- b) The date of receipt of any such notice as given above, will be deemed to be as follows:

- i) In the case of personal service, the date of service;
- ii) In the case of registered mail, the seventh (7th) business day following the date of delivery to the Post Office, provided, however, in the event of an interruption of normal mail service, receipt will be deemed to be the seventh (7th) day following the date on which normal service is restored; or
- iii) In the case of delivery in Electronic Format, the date the notice was actually received by the recipient or, if not a business day, then the next business day.

22) Interruptions or Discontinuance of Delivery Service

Subject to its Delivery Tariff, the Company will use its best efforts on a commercially reasonable basis to avoid and minimize any interruption, reduction or discontinuance of Natural Gas Distribution Service to any Consumer. However, the Company reserves the right to do so for any one of the following reasons:

- a) Where the Company is required to effect necessary repairs or changes to the Natural Gas Distribution System;
- b) On account of or to prevent fraud or abuse of the Natural Gas Distribution System;
- c) On account of defective aspects of the Natural Gas Distribution Systems which in the opinion of the Company, acting reasonably, may become dangerous to life or property;
- d) Where required, under the Terms and Conditions, due to a Consumer's non-payment of Natural Gas bills.

To the extent the Company has any planned major interruptions, reductions or discontinuances in Natural Gas Distribution Service, it will notify the Municipality in writing as soon as practicable in the circumstances. For any other major interruption, reductions or discontinuances in Natural Gas Distribution Service, the Company will provide notice (in a format acceptable to the Municipality) as soon as is practicable in the circumstances.

23) Dispute Settlement

- a) If any dispute or controversy of any kind or nature arises relating to this Agreement or the Parties' rights or obligations hereunder, the Parties agree such dispute or controversy will be resolved by negotiation, and where such negotiation does not result in the settlement of the matter within thirty (30) days of notice of such dispute being provided by one Party to the other Party, and to the extent permitted by law, the Company and Municipality agree that unresolved disputes pertaining to this Agreement, other than those contemplated in paragraphs 3 and 20 and Section 3 of Schedule "A", or those related to the sale of the Natural Gas Distribution System as contemplated in paragraphs 10 and 12 hereof, or any other matter within the exclusive jurisdiction of a governmental authority having jurisdiction, will be submitted to arbitration for determination and may be commenced by either Party providing written notice to the other Party stating the dispute to be submitted to arbitration.

The Parties will attempt to appoint a mutually satisfactory arbitrator within ten (10) business days of the said notice. In the event the Parties cannot agree on a single arbitrator within the ten (10) business days, the dispute will be forwarded to the Commission for resolution or determination.

In the event the Commission declines to assist in resolving the dispute or declines to exercise or claim jurisdiction respecting the dispute, both Parties agree to have the dispute resolved by an arbitration panel in accordance with the following procedure.

Each Party will appoint an arbitrator within the ten (10) business days thereafter by written notice, and the two arbitrators will, together, appoint a third arbitrator within twenty-five (25) business days of written notice for arbitration. The dispute will be heard by the arbitration panel within forty-five (45) business days of the written notice for arbitration unless extended by mutual agreement between the Parties. The arbitration panel will render a decision within twenty (20) business days of the last day of the hearing.

Except, as otherwise expressly provided in this Agreement, the provisions of the Arbitration Act (Alberta) (as amended from time to time) will apply to any arbitration undertaken under this Agreement subject always to the Commission's jurisdiction over any matter submitted to arbitration. Pending resolution of any dispute, the Municipality and the Company will continue to perform their respective obligations hereunder.

- b) The Company will advise the Commission of any dispute submitted to arbitration within ten (10) business days of it being submitted and will advise the Commission of the results of arbitration within ten (10) business days following receipt of the decision of the arbitrator(s).

24) Application of Water, Gas and Electric Companies Act

This Agreement will be deemed to operate as consent by the Municipality to the exercise by the Company of those powers which may be exercised by the Company with the consent of the Municipality under and pursuant to the provisions of the *Water, Gas and Electric Companies Act* (Alberta), as amended.

25) Force Majeure

If either Party fails to meet its obligations hereunder within the time prescribed, and such failure is caused or materially contributed by an event of “force majeure”, such failure will be deemed not to be a breach of the obligations of such Party hereunder, but such Party will use its best efforts on a commercially reasonable basis to put itself in a position to carry out its obligations hereunder. The term “force majeure” will mean any acts of God, strikes, lock-outs, or other industrial disturbances, acts of the Queen’s enemies, acts of terrorism (either foreign or domestic), sabotage, war, blockades, insurrections, riots, epidemics, lightening, earthquakes, storms, fires, wash-outs, nuclear and radiation activity or fall-out, restraints of rulers and people, orders of governmental authorities or courts of law having jurisdiction, the inability to obtain any necessary approval from a governmental authority (excluding the Municipality) having jurisdiction, civil disturbances, explosions, mechanical failure, and any other causes similar in nature not specifically enumerated or otherwise specified herein that are not within the control of such Party, and all of which by the exercise of due diligence of such Party could not have been prevented. Lack of finances will be deemed not to be an event of “force majeure”.

26) Terms and Conditions

The Terms and Conditions applicable to the Company and approved by the Commission, as revised or amended from time to time by the Commission, will apply to the Municipality. Nothing in this Agreement is intended to supersede the Terms and Conditions.

27) Not Exclusive Against Her Majesty

Notwithstanding anything to the contrary herein contained, it is mutually understood and agreed the rights, powers and privileges conferred and granted by this Agreement will not be deemed to be exclusive against Her Majesty in right of the Province of Alberta.

28) Severability

If for any reason any covenant or agreement contained in this Agreement, or the application thereof to any Party, is to any extent held or rendered invalid, unenforceable or illegal, then such covenant or agreement will be deemed to be independent of the remainder of this Agreement and to be severable and divisible from this Agreement. The invalidity, unenforceability or illegality will not affect, impair or invalidate the remainder of this Agreement or any part thereof. The intention of the Municipality and the Company is that this Agreement would have been executed without reference

to any portion which may, for any reason or to any extent, be declared or held invalid, unenforceable or illegal.

29) Amendments

This Agreement may only be amended by written agreement of the Parties, such amendments to be subject to any regulatory approvals required by law.

30) Waiver

A waiver of any default, breach or non-compliance under this Agreement is not effective unless in writing and signed by the Party to be bound by the waiver. No waiver will be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party.

The waiver by a Party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-compliance under this Agreement (whether of the same nature or any other nature).

31) Confidentiality

The Company acknowledges the Municipality is governed by the provisions of the *Freedom of Information and Protection of Privacy Act* (Alberta).

IN WITNESS WHEREOF the Parties hereto have executed these presents as of the day and year first above written.

Town of High Level

PER: _____

PER: _____

Apex Utilities Inc.

PER: _____

PER: _____

SCHEDULE “A” Core Services

The Company will provide to the Municipality the following basic services as Core Services:

- 1) The Company will deliver Natural Gas to the Consumers in accordance with the Company’s Terms and Conditions, the Company’s Distribution Tariff, the GUA, any regulations thereto, and any Commission orders and decisions.
- 2) The Company will install all Natural Gas facilities required to provide service to the Consumers in accordance with all applicable regulations, codes, applicable standards and common industry practices.
- 3) As required by legislation, the Company will provide and install all necessary regulators and meters necessary for measuring the Natural Gas supplied to each Consumer.
- 4) The Company agrees to collaborate with the Municipality’s emergency response services in an effort to mutually develop emergency response procedures relating to Natural Gas emergencies.
- 5) The Company will provide personnel twenty-four (24) hours a day to investigate and make safe any suspected gas leak inside or outside the Consumer’s premises.
- 6) The Company will utilize the services of qualified personnel for designing all Natural Gas facilities to satisfy all applicable regulatory codes and standards, preparing necessary work order plans and monitoring the distribution network pressures to ensure the Company’s facilities will satisfy the Consumer’s current and future Natural Gas delivery requirements.
- 7) The Company will provide to the Municipality, on request, copies of any and all Natural Gas Distribution Service related written or electronic, where available information or reports required to be filed with the Commission by the Company.
- 8) The Company will provide to the Municipality, upon request and to the extent the information is available, an annual report on the following standards:

a) **System Reliability** - will be measured by:

- i. The number of major outages resulting in a loss of service to Consumers;
- ii. The number of Consumers affected by each major outage; and
- iii. The duration of each major outage.

b) **Consumer Satisfaction** - will be measured by:

- i. Company-wide call centre targets and statistics (wait times, abandoned calls, call volumes, etc); and
- ii. any Consumer complaints received by the Commission.

c) **Public Safety** - will be measured by:

- i. the number of customer injuries and/or damages due to Natural Gas Distribution System failure;
- ii. the number of line hits per total locates completed;
- iii. the number of line hits as a result of inaccurate locates;
- iv. the percentage of the area of the Municipality surveyed for leaks and yearly cathodic protection measures;
- v. the number and nature of calls received from the Municipality and any of its Municipal agencies (including fire department, police department etc.) regarding the Natural Gas Distribution System.

9) Once per year, upon request and subject to any applicable privacy legislation, the GUA Code of Conduct Regulation or other rules prohibiting or restricting such disclosure, the Company will provide to the Municipality:

- a) The total number of sites billed within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years;
- b) The total gigajoules (GJ) of Natural Gas consumed by Consumers billed within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years;
- c) The franchise fee revenue billed to Consumers within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years;
- d) Where the Municipality is the customer of record and the Municipality provides a list of those sites to the Company on the form provided by the Company:
 - i. The total number of those sites billed within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years;
 - ii. The total gigajoules (GJ) of Natural Gas at those sites billed within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years;
 - iii. The franchise fee revenue billed to those sites within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years; and
- e) Such other information as may be agreed upon by the Parties from time to time.

Where privacy legislation, the GUA Code of Conduct Regulation or other rules prohibiting such disclosure prevent the Company from providing the information above, the Company will make reasonable attempts to aggregate the information so as to comply with the applicable rules. The

Company will not be obligated to provide such aggregated information if it believes such aggregation will not allow the Company to comply with the applicable rules.

- 10) Upon request by either Party, the Company will meet with the Municipality. Through a mutual exchange of information the Company will keep the Municipality apprised of the Company's construction and upgrading programs planned for the Municipal Service Area and the Municipality will advise the Company of any issues or plans relating to, or potentially impacting, the Natural Gas Distribution System.

SCHEDULE "B" Extra Services

Nothing in this Agreement precludes the Parties from contracting for Extra Services outside the provisions of this Agreement. In the event the Parties do elect to contract for the provision of Extra Services within the provisions of this Agreement and unless otherwise agreed upon by the Parties, nothing in this Agreement will preclude the Company from sub-contracting with third parties for the provision of Extra Services.

Subject to Commission approval, as may be required, any payments from the Municipality to the Company for Extra Services, if agreed to by the Municipality, may be deducted from the Franchise Fee collected from Consumers and otherwise remitted to the Municipality pursuant to paragraph 5 of this Agreement. The timing and quantum of such payments will be as agreed upon by the Parties and set forth in (insert paragraph number from Schedule B) of this Schedule.

Natural Gas Distribution System Franchise Agreement - Renewal Process

As the Alberta Utilities Commission (“AUC”) has approved **Rule 029 *Municipal Franchise Agreements, effective September 12, 2024.*** Apex Utilities Inc. (“AUI”) provides the following steps as a useful guide in the franchise renewal application process. If you have any questions or concerns as we move through the application process please do not hesitate to contact the undersigned directly.

1. AUI provides the municipality with:

- A copy of the current franchise agreement.
- A copy of the AUC approved gas franchise agreement template.
- A document outlining the steps to the renewal process.

2. AUI may provide additional documents if requested:

- Copy of the Franchise Fee Revenue for 5 years.
- Sample of the by-law given for first reading.

3. Following, at minimum, the first reading given to the bylaw, the following information is needed by AUI to continue with the renewal process:

- Information regarding how the municipality would like to have the Notice issued.
 - (i) published in the newspaper having the widest circulation in the municipality;
 - (ii) direct mail-out or emailed to utility customers in the municipality;
 - (iii) posted on the municipality’s website, social media pages, and office notice board (as available); or
 - (iv) an alternative method that best meets the objectives under Section 4.1(b) if permission is granted by the Commission in advance.
- Name and contact information of the Municipal Contact for the Notice of Application to be published in the newspaper provided above.
- Copy of the by-law given first reading.
- A copy of the finalized Agreement. (initialled but not necessarily signed)

4. Application Notice:

- AUI will calculate the effect of the proposed franchise fee chosen by the Municipality on a typical residential customer.
- AUI will create and publish the Notice of Application in the newspaper provided by the municipality.

5. Objections:

- Both AUI and the municipality must record a copy or summary of all written and oral objections or concerns received from interested parties, and a copy or summary of all responses provided to those parties.

6. Submission

- If no objections are received, or if objections are received and satisfied, AUI will electronically submit the application to the AUC.

7. The AUC will:

- Issue an order authorizing the Franchise Agreement is for the public convenience and properly conserves the public interest.
- Indicate via email that they have approved the Franchise Agreement and AUI will save a copy of the Disposition.

8. AUI will notify the municipality of the decision, sign two copies of the Franchise Agreement, and send back to the municipality for execution.

9. The municipality, once notified of the AUC's decision, can proceed to:

- Give second and third reading to the by-law, if not already completed.
- Sign two (2) Franchise Agreements provided by AUI.
- Send one (1) copy of the certified by-law and one (1) fully executed Franchise Agreement to AUI.

If you have any questions, or require clarification of anything presented above, please don't hesitate to contact Irv Richelhoff at (780) 980-7305 or by email at irichelh@apexutilities.ca.

Sincerely,

APEX UTILITIES INC.



Irv Richelhoff
Supervisor, Business Development

CORRESPONDENCE FOR INFORMATION



ALBERTA

MUNICIPAL AFFAIRS

Office of the Minister

MLA, Calgary-Hays

AR118482

March 14, 2025

Dear Chief Elected Officials:

As you know, my colleague, the Honourable Nate Horner, President of Treasury Board and Minister of Finance, tabled *Budget 2025* in the Alberta Legislature on February 27. I am writing to share further information regarding *Budget 2025* as related to education property tax (EPT).

Budget 2025 takes an important step toward stabilizing operational funding for education systems across Alberta. Historically, approximately one-third of operational funding for Alberta Education came from the EPT municipalities collect from their rate payers on behalf of the province. In recent years, the proportion that EPT contributes to funding the operations of Alberta Education has decreased to less than 30 per cent. Through *Budget 2025*, the Government of Alberta is increasing the proportion of Alberta Education's operating budget covered by EPT to 31.6 per cent in 2025/2026 and back to 33 per cent in 2026/2027.

To provide Alberta's public education system with a stable and sustainable source of funding and meet the demands of increased student enrollment, EPT revenue will increase by 14 per cent from last year, to a total of \$3.1 billion. This increase will be reflected on the property tax bills that municipalities send to property owners in 2025.


The Ministry of Municipal Affairs sent EPT requisitions to all municipal administrations, informing them of their share of the provincial EPT. For more information on EPT, including a fact sheet (Attachment 1) and the EPT Requisition Comparison Report (Attachment 2), please visit www.alberta.ca/property-tax and click on "Education property tax."

Municipalities across Alberta can inform residents that a portion of their property taxes goes directly to the provincial government to help pay for the operations of Alberta's education system. Many municipalities do this by adding a note to their property tax bills sent through the mail.

.../2

Budget 2025 is meeting the challenge of the cost of living by helping families keep more money in their pockets with lower personal income taxes and continuing investments in education and health care. I look forward to working together over the next year as we build strong and vibrant communities that make Alberta the best place in Canada to live, work, and raise a family.

Sincerely,

A handwritten signature in black ink that reads "Ric McIver". The signature is written in a cursive, flowing style.

Ric McIver
Minister

Attachments:

1. Education Property Tax Fact Sheet (2025)
2. Education Property Tax Comparison Report (2025)

Viv Thoss

From: Crystal McAteer <CrystalMa@fvsd.ab.ca>
Sent: Tuesday, March 18, 2025 6:02 AM
To: Viv Thoss
Cc: Aya Balmores
Subject: Fw: Nuclear Power Plant Info
Attachments: Scanned from a Xerox Multifunction Printer.pdf

This email was sent from outside your organisation, yet is displaying the name of someone from your organisation. This often happens in phishing attempts. Please only interact with this email if you know its source and that the content is safe.

Please add to Correspondence for Information
Thank you,
Crystal

From: Northern Alberta Elected Leaders <northernalbertaelectedleaders@gmail.com>
Sent: Monday, March 17, 2025 1:17 PM
To: Northern Alberta Elected Leaders <northernalbertaelectedleaders@gmail.com>
Subject: Fwd: Nuclear Power Plant Info

Dear NAEL Members,
Please find attached the nuclear information discussed discussed by Terry Ungarian.
Thanks
Jim Rennie

James Rennie, President

cell [\(780\) 778 0202](tel:7807780202) email jr@thedynamicgroup.ca



Box 877 Whitecourt, AB, Canada T7S 1N8

phone (780) 778 0202 fax (780) 778 3710 web thedynamicgroup.ca

This e-mail is intended for the addressee shown. It contains information that is confidential and protected from disclosure. Any review, dissemination, or use of this transmission or its contents by persons or unauthorized employees of the intended organizations is strictly prohibited.

Begin forwarded message:

From: remaxwctprinter@gmail.com
Date: March 17, 2025 at 12:02:47 PM MDT
To: jr@thedynamicgroup.ca
Subject: Scanned from a Xerox Multifunction Printer
Reply-To: remaxwctprinter@gmail.com

DO NOT REPLY - This email has come from the Xerox Printer at Whitecourt Advantage Real Estate.

Attachment File Type: pdf, Multi-Page

Multifunction Printer Location: machine location not set
Multifunction Printer Name: Xerox AltaLink C8170 (A0:0B:35)

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THE POTENTIAL TO POWER A NET ZERO FUTURE

CANDU technology powered Ontario's complete phase-out of coal-based fuel in 2014. However, our energy needs continue to grow: they're projected to soon be double our current generation capacity, and beyond our borders, the rest of the world needs a great deal of carbon-free power, fast!

Not only can the CANDU MONARK 1,000 MWe class Gen III+ reactor meet these needs, it also supports other clean energy generators, including intermittent renewables and emerging technologies.

Our most advanced technology yet is also more commercially economical when deployed at scale.

CANDU MONARK FEATURES

Improved cost per megawatt-hour

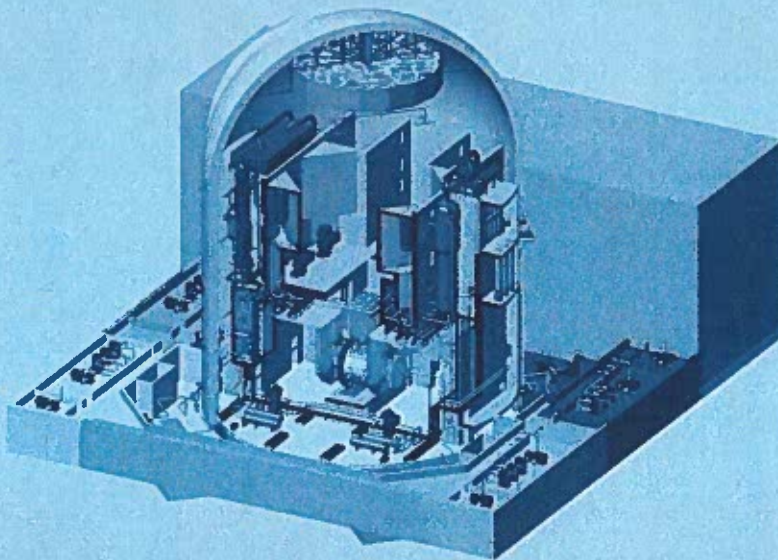
Longer operating life

Sustainable design that minimizes its environmental impact

Easier maintenance that includes enhanced online and predictive features

Ease of integration with flexible electricity grids

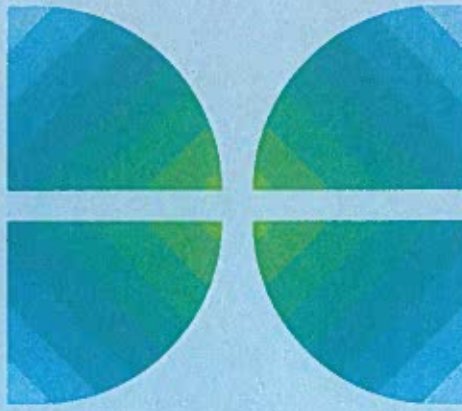
Compatibility with isotope production



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™Trademark of Candu Energy Inc., an AtkinsRéalis company.

Contact **Lillian Tarnawsky**
at lillian.tarnawsky@atkinsrealis.ca
to learn how CANDU MONARK is taking flight.

 **AtkinsRéalis**



THE NEXT EVOLUTION OF CANDU IS TAKING FLIGHT

AN ATKINSRÉALIS SOLUTION

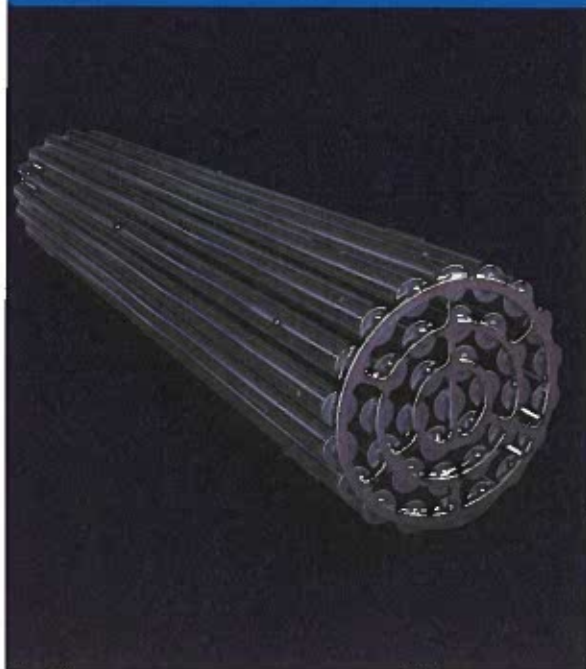
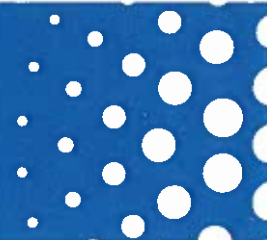
AtkinsRéalis is committed to decarbonizing the planet. Clean, low-carbon nuclear power is a key solution for reaching our global net zero goal.

CANDU MONARK REACTORS: THE FUTURE OF CLEAN ENERGY

CANDU® MONARK™ reactors leverage and improve on the best of our world-renowned CANDU nuclear technology. Decades of design and technological innovation make this our most advanced technology yet, and everyone stands to benefit.

Monark

Candu



Commitment to Safety: Understanding Nuclear Waste Management

Canada has been a global leader in nuclear energy research, technology and development for 65 years. Nuclear energy is one of Canada's safest and cleanest energy sources and is recognized globally as a critical tool in reducing greenhouse gases and fighting climate change.

In Canada, the Canadian Nuclear Safety Commission rigorously oversees every stage of nuclear waste management, from handling and transport to storage and final disposal.

Power Points: What You Need to Know About Used Nuclear Fuel

**Radioactivity
decreases over time.**

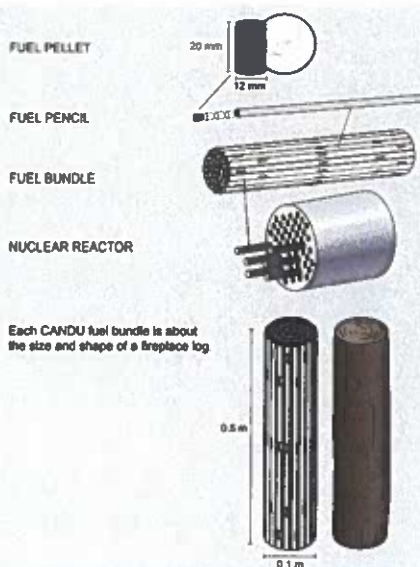
With modern containment strategies, risks are minimized while technology continues to improve long-term storage solutions.

**Properly managed waste does
not pose immediate threats.**

Safety protocols and containment measures are strictly followed to protect people and the environment.

Tailored solutions.

Each type of waste requires specific management techniques, ensuring tailored solutions that align with its unique characteristics.



Source: Nuclear Waste Management Organization.

What is Used Nuclear Fuel?

Used nuclear fuel is a byproduct of nuclear power and it must be safely managed long-term. Although its radioactivity level decreases rapidly with time, the used fuel must be contained and isolated from people and the environment, essentially indefinitely.

Canada follows proven practices used globally and used fuel is first stored on-site in pools, then in dry storage using concrete canisters before being sent to long-term disposal.

Once a used nuclear fuel bundle is removed from a reactor, it is placed in a water-filled pool where its heat and radioactivity decrease over time. After seven to 10 years, the bundle is placed in a dry storage container, a method that has been in use worldwide since the 1980s.

A Safe Approach to Managing Waste

Energy Alberta is committed to the safe disposal of nuclear waste using proven technology to mitigate any potential risks associated with the management and storage of nuclear waste. Our facility would adhere to the robust regulations and best practices set by the Canadian Nuclear Safety Commission and international regulators to ensure all forms of conventional and nuclear waste are handled in a safe, secure and responsible manner.

Canada's Long-Term Plan

Safe, long-term management of used nuclear fuel.

The Nuclear Waste Management Organization (NWMO) is the not-for-profit organization tasked with the safe, long-term management of Canada's used nuclear fuel in a manner that protects people and the environment for generations to come. The technical method will involve building a deep geological repository in a suitable rock formation to safely contain and isolate used nuclear fuel using a multiple-barrier system. NWMO selected Wabigoon Lake Ojibway Nation and the Township of Ignace in Ontario as the host communities for the future repository site. Learn more at nwmo.ca.

Source: Nuclear Waste Management Organization.

Types of Nuclear Waste

65 years of safe operations

Canada's nuclear industry is one of the most regulated in the world and its facilities are the most protected critical infrastructure in Canada. All nuclear waste is safely managed in compliance with stringent regulations and in accordance with international standards.

Low-Level Waste.

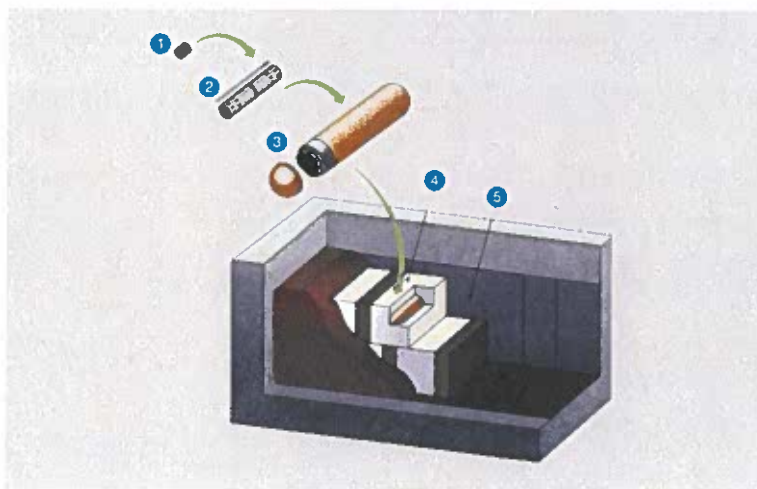
These materials can be handled with minimal protective measures and include items such as used protective clothing, tools and lab waste.

Intermediate-Level Waste.

These materials require shielding during handling and include items such as reactor components, resins from water treatment and certain chemicals.

High-Level Waste.

These materials require robust containment, cooling measures and long-term management and include items such as spent nuclear fuel and reactor components, such as control rods and piping.



The Peace River Nuclear Power Project

Utilizing Canada's proven nuclear technology.

Energy Alberta is an Alberta-based company led by an experienced group of innovators, nuclear industry experts and leaders in environmental sustainability. We are proposing to build a world-class nuclear power generating station in the Peace River area of Northern Alberta that would include two to four 1,000MW-class CANDU® MONARK™ reactors. The facility could produce up to 4800MW of electricity to the grid, representing up to 30% of the province's existing electricity generation.

Powering Alberta's Clean Energy Future

Alberta has the opportunity
to lead in clean energy innovation.

Nuclear energy offers a zero-emission source of electricity, ensuring a reliable supply and stable pricing. By leveraging this technology, we can create a made-in-Alberta solution to secure long-term energy stability while advancing both our environmental and economic objectives.



Project Overview

Utilizing Canada's proven nuclear technology.

Energy Alberta is proposing to build a nuclear power generating station in the Peace River area of Northern Alberta that would include two to four 1,000MW CANDU® MONARK™ reactors. The facility could produce up to 4800MW of electricity to the grid, representing up to 30% of the province's existing electricity generation.

Project Status

Phase 1: Bringing Expertise Together

Energy Alberta has assembled a team with extensive nuclear experience and initiated the planning required to advance a nuclear generation project in Canada, including early consultations with government, community leaders and Indigenous groups.

Phase 2: Impact Assessment Process

Energy Alberta plans to submit an Initial Project Description in 2025 that will initiate a federal Impact Assessment (IA) for the Peace River Nuclear Power Project.

The IA process is led by the Impact Assessment Agency of Canada (IAAC) and the Canadian Nuclear Safety Commission (CNSC), and will evaluate the potential effects of the project on the environment, health, society and economy. It will also assess the impact on Indigenous peoples and their rights.

Phase 3: Decision on Public Interest

An IA is a phased planning process spanning over multiple years, involving extensive community and public engagement, as well as comprehensive environmental and socioeconomic studies. Upon completion of the IA process, the federal government determines whether the project is in the public interest and grants approval for it to proceed.

The Advantages of Nuclear

Harnessing the power of innovation.

Canada's nuclear industry is an economic engine, offering high-paying jobs to skilled workers, and significant revenue for provincial and federal governments.



Jobs

89,000 people employed.



Revenue

\$22 billion in annual GDP contribution.



Output

15% of Canada's electricity.



Environmental Advantage

80 million tonnes of CO2 emissions per year are avoided.



Energy Security

Nuclear Energy runs 24/7, 365 days a year.



Supply

Canada is the second largest uranium producer in the world.

CANDU: A Canadian Success Story

65 years of safe operations.

Canada's nuclear industry is one of the most regulated in the world and its facilities are the most protected critical infrastructure in Canada.

Operating Excellence

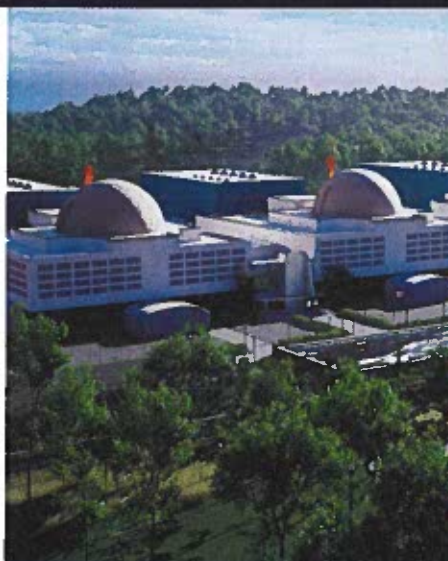
CANDU® reactors have amassed more than 900 years of safe operating experience in seven countries around the world.

Canadian Success

There are 19 operating CANDU® reactors in Canada - 18 in Ontario and one in New Brunswick.

Global Presence

Canada has exported CANDU® technology around the world with 30 reactors in operation globally. As well, India operates 16 reactors that are based on the CANDU® design.



Energy Alberta

Greening the power supply.

Energy Alberta an Alberta-based company led by an experienced group of innovators, nuclear industry experts and leaders in environmental sustainability. We are dedicated to building and operating a world-class nuclear electricity generating station that will transform energy production in the province. Founded in 2005, our vision is to diversify Alberta's energy portfolio by providing safe, secure energy for Albertans while creating high-quality jobs and economic opportunities.



Radiation Safety

Canada has been producing nuclear energy since the early 1960s. Nuclear power plants in Canada are subject to strict health and safety regulations and are routinely inspected to ensure they meet or exceed rigorous safety and environmental standards established by the Canadian Nuclear Safety Commission and international organizations.

Protecting People and the Environment

Canada's nuclear industry is subject to some of the strictest radiation safety standards in the world. The Canadian Nuclear Safety Commission regulates the life cycle of nuclear plants and has a team of technical experts and onsite inspectors to maintain rigorous oversight of plant operation. Nuclear power plants adhere to rigid radiation protection regulations under the Nuclear Safety Control Act, as well as recommendations from international organizations such as the International Atomic Energy Agency (IAEA) that provide global safety standards for radiation exposure.



Minimizing radiation releases.

Nuclear power plants have control and safety systems in place to minimize radiation releases. During normal operations, they release very small amounts of radiation into the air and water. These releases come from the reactor and its system and from waste management activities.

In order to reduce airborne releases, highly efficient filters and radiation monitors are installed as part of the ventilation systems. Filters remove more than 99% of the radiation from the air before it is released to the environment.

Used Nuclear Fuel.

After nuclear fuel has been used in a reactor, it is removed and stored securely in a water-filled pool for a period of 7 to 10 years. The water in the pool continues to cool the fuel and provides shielding against radiation. All of Canada's fuel pools are built in ground, in separate buildings at the nuclear power plant, and are designed to withstand earthquakes.

After 7-10 years, the bundles are placed in dry storage containers, silos or vaults. After 50 years, the life of the container could be extended, or the used fuel could be repackaged. The Nuclear Waste Management Organization has announced their selection of the Wabigoon Lake Ojibway Nation-Ignace area in Ontario as the site for Canada's deep geological repository for used nuclear fuel. Learn more at nwmo.ca.

Safety Measures in Canadian Nuclear Plants

Canadian nuclear power plants are equipped with multiple, independent **robust control and safety systems** designed to prevent accidents and mitigate the effects should an accident occur. The systems perform three fundamental safety functions: controlling the reactor, cooling the fuel and containing radiation.

Containment Structures.

These are thick concrete walls designed to isolate the radioactive materials inside the reactor. Even in the unlikely event of an accident, the containment structures are built to prevent radiation from spreading.

Radiation Shielding.

Materials such as water, concrete and lead are used to absorb radiation and protect workers and the surrounding environment.

Monitoring Systems.

Continuous radiation monitoring systems are in place inside and outside the plant. These systems ensure that radiation levels remain within strict safety limits, both for plant workers and the nearby community.

A Safe and Sustainable Future

Nuclear power is one of Canada's safest and cleanest energy sources and offers one of the best ways to meet Alberta's constant and growing electricity demands.

Reliable & Consistent.

Nuclear power plants can operate 24/7, 365 days a year, providing a constant, stable and affordable source of electricity that is readily scalable.

Zero Emissions.

Nuclear energy produces virtually zero greenhouse gas emissions during operation, making it a critical tool in combating climate change.

Energy Security.

In an increasingly volatile global energy market, nuclear power offers a path to energy independence by reducing reliance on imported fossil fuels.

Understanding Radiation

We are exposed to natural and man-made sources of radiation in our daily lives every day. Radiation is energy that travels through space in the form of electromagnetic waves or particles.

Ionizing Radiation.

This type of radiation has enough energy to break an electron away from an atom causing that it to become charged. It is the type produced by nuclear power plants and x-ray machines.

Non-Ionizing Radiation.

This type, such as visible light or radio waves, does not have enough energy to affect atomic structure. It is the type produced by microwaves and Wi-Fi.

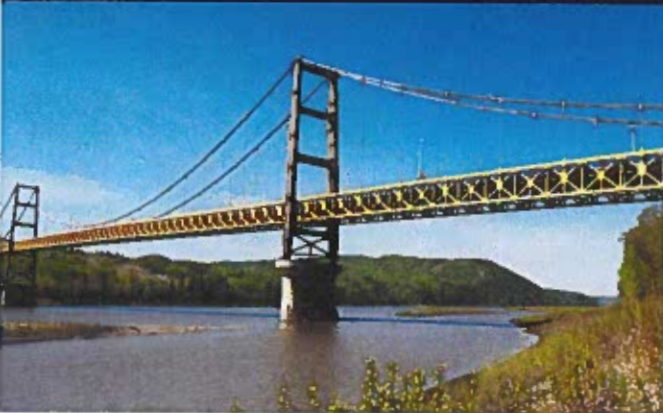
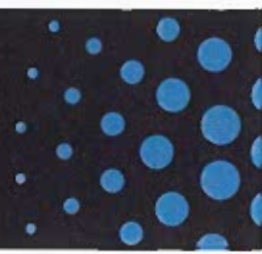
Naturally Occurring Radiation.

Radioactive elements like potassium-40 and carbon-14 are a part of the world around us. Potassium-40 is present in the foods we eat, like bananas and potatoes. Carbon-14 is found in the atmosphere and makes its way into us through the food chain.

Ionizing radiation is produced during nuclear fission, the process that powers nuclear reactors. The use of nuclear power in clean energy production is tightly regulated and monitored to ensure the highest standards of public and environmental safety.

Workers in a nuclear power plant are exposed to far less radiation than what you'd experience from a single medical X-ray. Stringent safety protocols, advanced shielding and state-of-the-art monitoring ensure that radiation exposure for plant workers remains extremely low – often comparable to the natural background radiation we're all exposed to daily.





Protecting Water Resources

Energy Alberta cares deeply about environmental stewardship and promoting sustainable water management practices to minimize the impact of its proposed operations on local water resources and protect the Peace River watershed.

Energy Alberta's Commitment to Water Management

Energy Alberta is proposing to build a nuclear power generating station on the shoreline of the Peace River, one of the largest rivers in Alberta. The Project would involve withdrawing water from the Peace River to use for cooling and other processes required for safe operations. Advanced technology will be utilized to recycle the cooling water and reduce the amount of water needed.

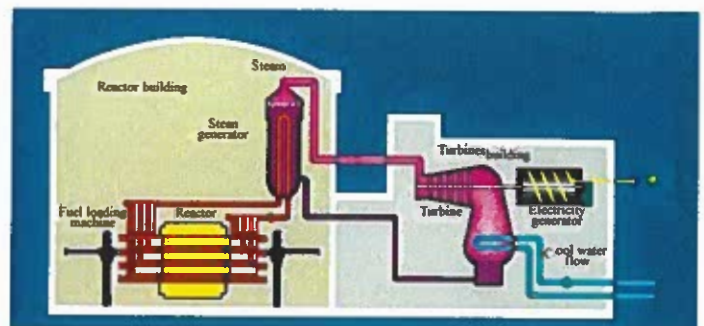
The water management process in nuclear power plants is highly regulated, including permits and mitigation requirements put in place by local, provincial and federal governing bodies to ensure effective conservation and stewardship. Significant efforts are undertaken to protect the habitat of the local watershed, including rigorous environmental programs that monitor, track and analyze surrounding ecosystems to safeguard the health of people and the environment.

Understanding the Water Cooling System

A consistent supply of water from the Peace River, primarily used for cooling, will be an integral part of the Peace River Nuclear Power project. The volume of water required will be determined as technical and project details are refined.

There are three separate circuits that make up the main features of how water is used when generating electricity in a CANDU® nuclear reactor. First, the heat transfer system in a CANDU® nuclear reactor works by circulating heavy water (known as D2O) through the reactor core to transfer the heat generated by the fission process to the steam generator. A separate water circuit is used in the steam generator where the heat from the reactor causes the circulating water to turn into steam. This steam is then transferred to a series of turbines that convert the energy from the steam into electricity.

Once the steam has been used to create electricity, the left over heat must be removed and the steam converted back to water that can be heated up again to produce more electricity. This is done by a third water system called the cooling water circuit. This third water circuit is where the majority of the water needed by the power plant is used. The water in all three of these systems is kept separate and no mixing occurs. The movement of heat energy is across the walls of the pipes that contain the water in each circuit.

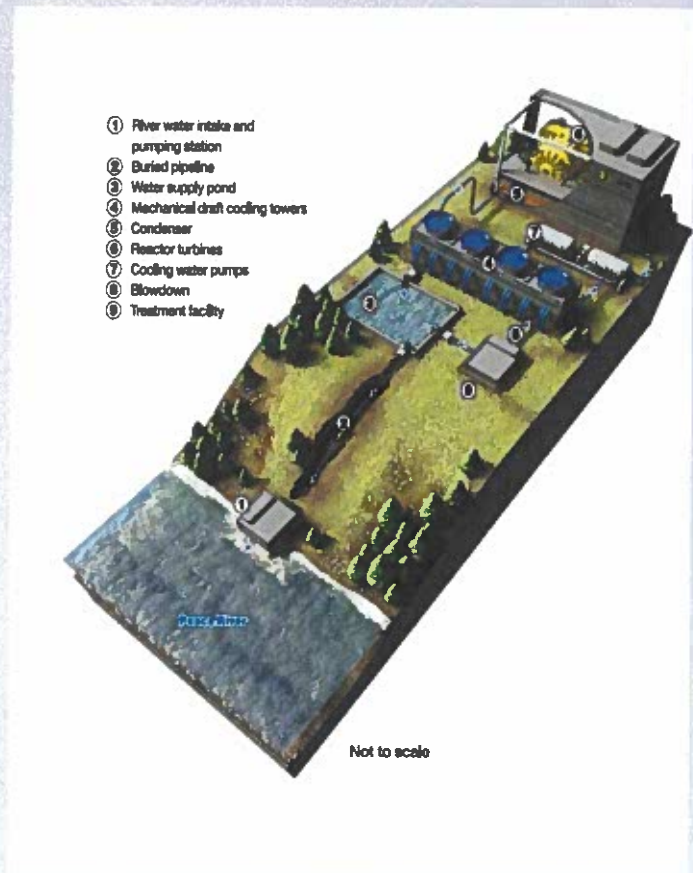


Cooling Water Infrastructure

The proposed project plans to utilize a mechanical draft cooling system to remove the left over heat from the steam circulating through the turbine system after the electricity is generated. This method allows less water to be pumped from the river and prevents heated water being released back into the Peace River. Instead, the water is evaporated, or consumed, in the heat removal process.

Key components of the plant's cooling water infrastructure include:

- Water intake, pipeline and access road to the river.
- Water storage ponds to hold a reserve of water for power production if the amount of water coming from the river is reduced because of ice conditions or low water levels.
- Mechanical draft cooling towers which use fans to move all the air required to transfer heat from the steam driving the turbines to the air. Water is consumed and evaporated as a result of the warm circulating water interacting with relatively dry and cool air.



A Safe and Sustainable Future

Nuclear power is one of Canada's safest and cleanest energy sources and offers one of the best ways to meet Alberta's constant and growing electricity demands.

Reliable & Consistent.

Nuclear power plants can operate 24/7, 365 days a year, providing a constant, stable and affordable source of electricity that is readily scalable.

Zero Emissions.

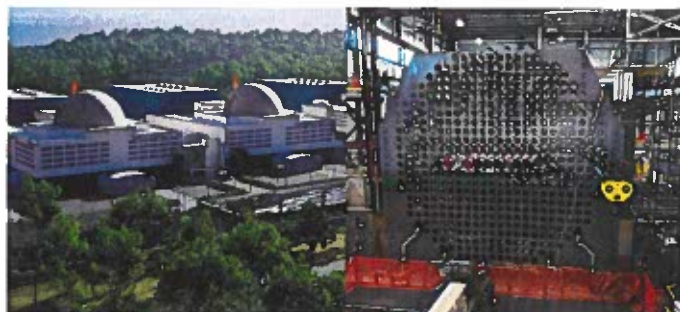
Nuclear energy produces virtually zero greenhouse gas emissions during operation, making it a critical tool in combating climate change.

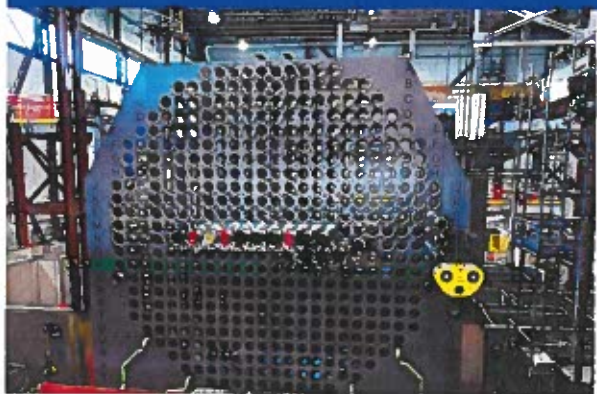
Energy Security.

In an increasingly volatile global energy market, nuclear power offers a path to energy independence by reducing reliance on imported fossil fuels.

The Peace River Nuclear Power Project Utilizing Canada's proven nuclear technology.

Energy Alberta is an Alberta-based company led by an experienced group of innovators, nuclear industry experts and leaders in environmental sustainability. We are proposing to build a world-class nuclear power generating station in the Peace River area of Northern Alberta that would include two to four 1,000MW-class CANDU® MONARK™ reactors. The facility could produce up to 4800MW of electricity to the grid, representing up to 30% of the province's existing electricity generation.





Nuclear Energy: A Clean and Reliable Power Source

Energy Alberta is proposing to build a nuclear power generating station in the Peace River area of Northern Alberta that would include two to four 1,000MW CANDU® MONARK™ reactors. The facility could produce up to 4,800MW of electricity to the grid, representing up to 30% of the province's existing electricity generation.

The Advantages of Nuclear

Greening the Power Supply.

Nuclear power is the only readily scalable, zero-emission energy source capable of delivering reliable and affordable electricity around the clock.

Efficient Footprint.

Unlike some renewable energy sources that require large land areas (like wind farms or solar fields), nuclear power plants have a small physical footprint for the energy they produce.

Economic Growth and Job Creation.

Canada's nuclear industry is an economic engine, offering high-paying jobs to skilled workers, and significant revenue for provincial and federal governments.

Abundant Supply.

Canada is one of the largest producers of uranium in the world, the fuel used in the production of nuclear energy.

Power Points: Key Facts about Nuclear Energy

Reliable & Consistent.

Nuclear power plants can operate 24/7, 365 days a year, providing a constant and stable source of electricity. It helps ensure that there is always electricity available, even when the sun isn't shining or the wind isn't blowing.

Zero Emissions.

Nuclear energy produces **virtually zero greenhouse gas emissions** during operation, making it one of the cleanest sources of energy. It plays a critical role in reducing carbon footprints and combating climate change.

High Energy Density.

A small amount of nuclear fuel can generate a tremendous amount of energy. For example, a single uranium fuel pellet is about the size of a sugar cube and can produce the same energy as 907 kg of coal, 564 litres of oil, or 480 cubic metres of natural gas.

Energy Security.

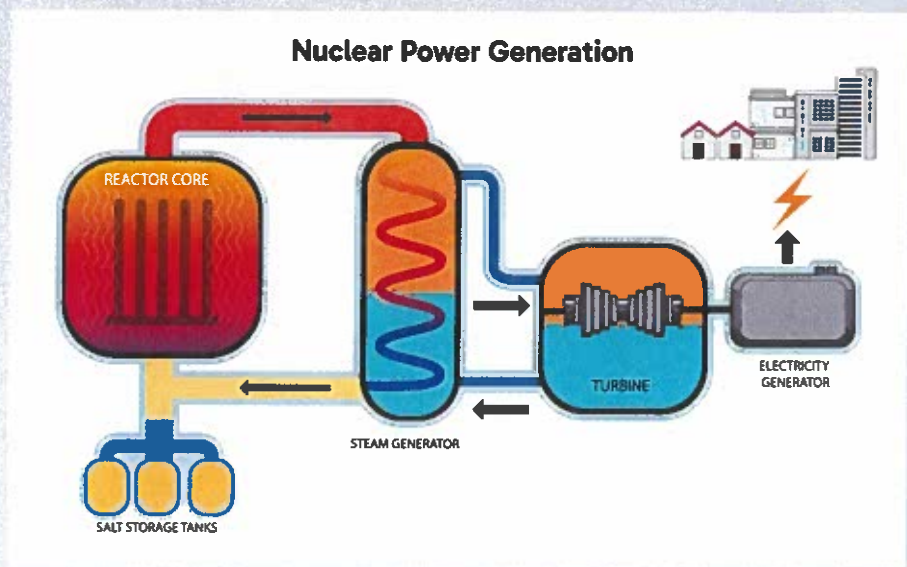
In an increasingly volatile global energy market, nuclear power offers a path to energy independence. CANDU® reactors use natural uranium mined and processed in Canada providing lower costs and a stable, secure energy supply which is essential for the growth and development of communities.

Robust Safety Systems.

Modern nuclear reactors are equipped with advanced safety systems that make them incredibly safe. The industry is one of the most regulated in the world and facilities are inspected regularly to ensure they meet or exceed strict safety standards established by the Canadian Nuclear Safety Commission and adhere to global safety recommendations set by the International Atomic Energy Agency (IAEA).

The Science of Nuclear Power

Nuclear energy is the energy released from the nucleus (core) of atoms, primarily through a process known as **nuclear fission**. Fission is a reaction that occurs when atoms of uranium or plutonium are split into two or more smaller nuclei. The process releases large amounts of energy in the form of heat, which is converted into electricity by creating steam in a nuclear power plant.



How Does a Nuclear Power Plant Work?

Nuclear Fission.

The process begins in the reactor, where uranium atoms are split by neutrons. This releases a significant amount of heat.

Steam Generation.

The heat produced by fission turns water into steam.

Turbine Rotation.

The steam spins a turbine connected to a generator, which produces electricity.

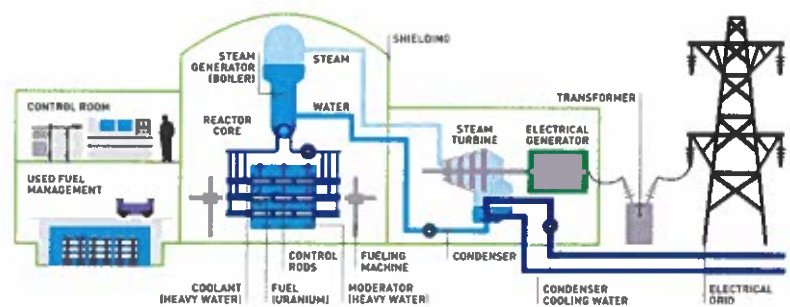
Cooling.

After passing through the turbine, the steam is cooled and returned to water, which is then heated again to repeat the cycle. The cooling water used in this process is kept separate from the steam cycle and does not come into contact with the reactor core.

Waste Management.

All of Canada's used nuclear fuel is safely managed at licensed storage facilities.

CANDU REACTOR SCHEMATIC



Graphic Source: Canadian Nuclear Association

Fueling the Future

Canada has been producing nuclear energy since the 1960s. A reactor needs 10 uranium pellets to power a house for a year. Each pellet weighs about 20g, less than a AA battery.

Generating the same amount of electricity as one uranium pellet would require 410 litres of oil. A typical generator supplying power for one million people will produce about three cubic metres of waste per year.



INTERNAL CORRESPONDENCE

Departmental Monthly Report



Department: Community Services

Month/Year: February 2025

Monthly Activity Summary

- **Arena-** Arena staff have scheduled a weeklong shutdown in April to carry out necessary painting and cleaning throughout the facility. Our Ice plant will shut down on April 4th. The outdoor rink and skate path are closed for the season.
- **Pool-** We were able to offer two free swims to the public this month, 161 people attended. These swims and regular programs were well received with 1360 people utilizing the facility this month.
- **FCSS & Recreation-** Family and Community Support Services is busy planning our community easter event. This year we are partnering with the Northern Lights Humane Society to do photos with the Easter Bunny. We are also working on plans for national volunteer appreciation week, we have received a \$600 grant from Volunteer Alberta to help with our initiative.
- **Museum & Tourism-** Administration is working with hotel and restaurant owners to reinstate the Tourism Improvement Fee fund.

Ongoing Projects

- Reviewing Memorandum of understanding for user groups
- Working on hiring summer staff for the Museum, Arena and Day Camp.

Upcoming Initiatives

- Finalizing evacuation billing for 2023-2024 with the help of finance.
- Assisting with hosting the first Northwest Emergency Social Services conference in St. Isidore along side Northern Sunrise County, Town of Peace River and Grande Prairie Regional Emergency Partnership on April 14 & 15
- Planning for the 2025 Community Improvement Incentive-Flower Grant, making changes to streamline the process.

Departmental Monthly Report



Approvals

A handwritten signature in blue ink, appearing to read "V Thoss", is positioned above a horizontal line.

CAO - Viv Thoss

A handwritten signature in black ink, reading "Jena Clarke", is positioned above a horizontal line.

Author - Jena Clarke
Director of Community Services

Departmental Monthly Report



Department: Planning & Development + Communications

Month/Year: February 2024

Monthly Activity Summary – Planning & Development

- No new development permits were issued in February.
- Administration is currently working on filling two vacant positions within the department.
- As February is typically a slower month for development services, the department has been focusing on getting ahead or catching up on more strategic projects listed below.

Monthly Activity Summary – Communications

January Social Media Stats	
Platform	Views
Facebook	231,600
LinkedIn	126
Instagram	7,600
Website	63,000

- The Town's annual report for 2024 is moving into final content development and is on schedule.
- Frostival event coverage had a great response on social media and were viewed more than 12,000 times as of March 5. About 96 percent of those views were from current followers of the page.

Ongoing Projects

- Implementation of CityWide asset management, e-permitting, e-licencing, and GIS systems.
- Town of High Level Residential, Commercial, and Industrial Needs Assessment.

Upcoming Initiatives

- Tetra Tech has been procured to complete a technical desktop geotechnical, hydrology, and flood risk assessment aimed at analyzing development risks across the Town associated with soil composition and other environmental factors.
- A land use bylaw amendment will be brought forward for first reading on April 14th, 2025, aimed at reducing barriers to different types of housing development across the community.

Departmental Monthly Report



Department: Emergency Services

Month/Year: February 2025

Monthly Activity Summary

Fire Services

Nature of Calls	Number of Calls	Nature of Calls	Number of Calls
First Response Medical	12	MVC	2
Assist EMS	21	False Alarms	3
Cancelled Medical	4	Structure Fire	1
		Vehicle Fire	1
Total Calls February 2025	44		
Total Calls February 2024	51		
Call volume for 2025	106		

The Fire Department weekly training concentrated on Reduced Profile Maneuvers, Building Construction, Firefighter CPR/RIT, Building Construction and Forcible Entry. Medical Training concentrated on Diabetic Emergencies.

Department members assisted with Frostival.

WUI Team

The WUI Team concentrated on final edits for the WUI-B course and Course Materials. Work was also completed on the training plan for the Team Expansion rollout.

Emergency Management

There were no activations in February 2025.

Enforcement

Nature of Calls	Number of Calls
Animal Complaints	5
Municipal Tickets	0
Bylaw Complaints	9
Disturbance Calls	3
Public Complaints	0
Provincial Files	0
Traffic (Snow Removal)	2
Assist External Agency	1
Total Calls February 2025	20

Enforcement assisted with security at Frostival

Departmental Monthly Report



Safety

4 Incidents – 2 damage, one vandalism and one minor injury

The Audit Action Plan was forwarded to CAO for approval. The Safety Committee reviewed 2 directives. Job Hazard Assessment have been issued for all positions for annual review.

Ongoing Projects

- Working with TSAG on spring training for First Nations at Training Facility
- 2025 Budget and Departmental Workplan Preparations

Upcoming Initiatives

- 2025 Formal Fire Department Training Plan
- Work Experience Program Planning and hiring for Spring 2025

Approvals

CAO – Viv Thoss

Author – Rodney Schmidt
Director of Emergency Services

OUTGOING CORRESPONDENCE



March 12, 2025

Viv Thoss
Chief Administrative Officer
Town of High Level
10511- 103rd Street
High Level, Alberta T0H 1Z0

Honourable Danielle Smith
Premier of Alberta
Legislature Building
10800 97 Avenue
Edmonton, AB T5K 2B6

RE: Trade Barriers and Alberta's Forest Industry

Dear Premier Smith:

The forest industry, which supports more than 1,000 jobs in the High Level Region, is facing great uncertainty due to US duties and tariffs. The Town of High Level is supportive of government intervention to support these jobs.

We support the industry's call for supportive measures, including:

A strong approach to advocacy in the United States - Americans need to know that they benefit from lumber and oriented strand board (OSB) from our region, which helps them build homes affordably. They also need to know that Alberta pulp is in products they use every day and American made products that are sold around the world.

Using More Alberta Wood Here at Home - BC passed a wood charter in 2007, which has supported the construction of hundreds of wood buildings throughout the province. Alberta should consider similar legislation to use resources from our own communities and blunt the effects of tariffs and duties.

Using Tax Credits to Incent Capital Investments - Programs like the Alberta Petrochemicals Incentive Program (APIP) and Alberta Agri-Processing Investment Tax Credit have been successful at incenting capital investment in those industries. We were greatly encouraged to read that Minister Matt Jone's mandate letter included "as lead, working with the Ministers of Treasury Board and Finance as well as Forestry and Parks, develop programs similar to the Agri-Processing Investment Tax Credit to incentivize investment in forestry and other manufacturing sectors." This is the right time to carry through with this commitment and support communities and jobs.



March 12, 2025

Lobbying the federal government for financial supports - It is clear from President Trump's language that our forest industry is a target. There is precedent for federal assistance to industries that are directly targeted and this assistance may become necessary if liquidity is impacted.

Reducing Red Tape and Keeping Costs Low - Alberta needs to remain a competitive place to harvest wood and manufacture forest products. We encourage your government to maintain a strong focus on red tape reduction and other steps to minimize costs.

Invest in Markets and Infrastructure - We need to diversify our markets and be able to deliver on commitments to customers to get the product there on time. This requires renewed investments in our road, rail, and port systems. We urge you to work closely with the Government of Canada to enhance our transportation capacity.

Thank you for your consideration.

Sincerely,

Should you have you have any further questions or require additional information, please do not hesitate to contact me at 780-926-2201 or email: cao@highlevel.ca.

Sincerely,

Viv Thoss
Chief Administrative Officer

cc: Honourable Todd Loewen, Minister of Forestry and Parks
Honourable Matt Jones, Minister of Jobs, Economy and Trade
Honourable Martin Long, Minister of Infrastructure