



GAS FRANCHISE FEE ADVERTISING REQUIREMENT

Issue

The new *Utilities Affordability Statutes Amendment Act* requires that the Town re-advertise the existing approved ATCO Franchise Fee agreement.

Motion Proposed by Administration

That the Gas Franchise Fee Advertising Requirement report be received as information.

Report, Analysis and Financial Implications

ATCO is working with all their Franchise Fee communities to address the requirements of the new legislation: The Utilities Affordability Statutes Amendment Act. The Alberta Utility Commission (AUC) has established a special process to efficiently approve all existing current and valid gas distribution franchise agreements that are compliant with the new legislation before the March 2025 deadline.

This means that the Town’s gas distribution franchise agreement, which is current and valid, must be reviewed and re-approved by the Alberta Utilities Commission (“AUC”) before March 17, 2025, or it will terminate by operation of law on that date. If it is terminated, all benefits provided under the agreement will end, including the payment of franchise fees to the municipality.

As part of the process, the community will be able to express any objections, concerns, or support regarding the franchise agreement and the financial impact on them. The public may send their feedback to the Town of Okotoks, to ATCO, or to the AUC. These communications will be included in the application to the AUC that ATCO will make as soon as possible but no later than December 13, 2024. The AUC will review the information submitted, and provided everything is in order, they will then issue a Decision to confirm that the Town’s franchise agreement is current, valid and compliant with the new legislation.

In a review with FORTIS, on the Electricity Franchise fee, there is no requirement to re-file or re-approve the current agreement.

A new ATCO gas Franchise Fee Ad will be published in the Western Wheel on September 11 and 18, 2024 for a two week period.

Strategic Plan Goals

<input type="checkbox"/>	Responsibly Managed Growth
<input checked="" type="checkbox"/>	Strong Local Economy
<input type="checkbox"/>	Organizational Excellence

<input type="checkbox"/>	Demonstrated Environmental Leadership
<input type="checkbox"/>	Enhanced Culture & Community Health

Equity/Diversity/Inclusivity Impacts and Strategy

n/a

Environmental Impacts

n/a

Community Engagement Strategy

Update the FAQ document in case there are any inquiries.

Alternatives for Consideration

n/a

CAO Comments

Advertising the franchise agreement is a legislated requirement. It should be noted that no increase to the franchise fee is proposed, this is simply a legal requirement contained within the legislation to have the agreement approved.

Attachment(s)

n/a

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