

AGENDA

GOVERNANCE AND PRIORITIES COMMITTEE MEETING

Tuesday, September 13, 2011
7:00 p.m.

1. **CALL TO ORDER**

2. **ADOPTION OF AGENDA**

3. **DELEGATIONS**

4. **TOPICS FOR DISCUSSION**

- a) Organizational Response to Public Correspondence/Calls
- b) Notices of Motion – Councillor Gallant
 - i) Crowsnest Pass Way-Finding Signage
 - ii) Crowsnest Pass Visitor Welcome Kiosks
- c) Elected Officials Education Program
- d) 20th Avenue Blairmore Racing, Speeding, Noise from Vehicles
- e) Franchise Tax – ATCO, Fortis, AltaLink
- f) Triennial Budget Schedule

5. **IN CAMERA**

- a) Personnel
- b) Personnel

6. **OUT OF CAMERA**

7. **ADJOURN**

NOTICE OF MOTION – CROWSNEST PASS WAY-FINDING SIGNAGE

WHEREAS It is essential that Crowsnest Pass become recognized as a destination for visitors, rather than a stop-over, in order to help support existing business and future investment in our community.

AND WHEREAS On May 18, 2010 Council endorsed the Community Futures **Visitor Friendly Communities** report, which identifies potential projects to increase visitors, including way-finding signage, which will help visitors identify services, recreational opportunities, natural attractions, and significant historic sites.

AND WHEREAS Way-finding signage would help increase the number of visitors to the community due to greater exposure and an increased amount of information available to travelers within our community and along Hwy 3, which sees between 4,800 and 10,000* vehicles per day.

**Source: Alberta Transportation*

<http://www.transportation.alberta.ca/Content/docType181/production/TVH2009.pdf>

AND WHEREAS There is the potential for Federal or Provincial funding for projects that increase business opportunities and investment in rural communities.

AND WHEREAS There is the opportunity to work with existing groups such as, but not limited to, Community Futures, and the Chamber of Commerce, the Bellecrest Association, and the Crowsnest Pass Heritage Board in order to identify significant sites and attractions.

AND WHEREAS New way-finding signage will show a commitment to the future of our community.

THEREFORE Be it resolved that Administration:

1. be directed to research options for way-winding signage, both along Highway 3 and within the community,
2. work with community groups to identify sites of importance that would be recognized by the way-finding signage,
3. ensure the way-finding signs are coordinated with any welcome kiosks,
4. identify the need for consultants and/or contractors necessary to complete a way-finding signage project,
5. research funding options, including grants, and the costs of construction for said welcome centers and on-going operational costs.

The results of Administration's findings are to be delivered at the **Governance and Priorities Committee** on September 13, 2011 for discussion, with the goal of corresponding with the 2012 budget preparations.

Attachments: Community Futures Visitor Friendly Communities report (endorsed by Council on May 18, 2010)

NOTICE OF MOTION – CROWSNEST PASS VISITOR WELCOME KIOSKS

WHEREAS It is essential that Crowsnest Pass become recognized as a destination for visitors, rather than a stop-over, in order to help support existing business and future investment in our community.

AND WHEREAS The existing Crowsnest Pass gateway signage is out of date and in need of repair.

AND WHEREAS On May 18, 2010 Council endorsed the Community Futures **Visitor Friendly Communities** report, which identifies potential projects to increase visitors, including new welcome kiosks with community information on the east and west entrances of the community.

AND WHEREAS A greater amount of information along Highway 3, which sees between 4,800 and 10,000* vehicles per day, regarding our community, available services, and regional attractions, would result in an increased number of visitors to the Crowsnest Pass.

**Source: Alberta Transportation*

<http://www.transportation.alberta.ca/Content/docType181/production/TVH2009.pdf>

AND WHEREAS There is the potential for Federal or Provincial funding for projects that increase business opportunities and investment in rural communities.

AND WHEREAS There is the opportunity to work with existing groups such as, but not limited to, Community Futures, the Chamber of Commerce, and the Bellecrest Association to identify the requirements, location, and maintenance of these sites. Where possible, the welcome kiosks will be readily accessible to Highway 3, have drive-in access, and utilize existing sites. At a minimum these sites would include new welcome signs and community information.

AND WHEREAS New welcome kiosks would raise the profile of the community and show vision toward our future and instill a greater sense of pride in our community.

THEREFORE Be it resolved that Administration:

1. be directed to research the viability of a drive-in welcome center on both the east and west entrance to the community,
2. identify potential sites for such kiosks,
3. ensure the welcome kiosks are coordinated with any way-finding signs,
4. work with community groups that are already maintaining similar sites,
5. identify the need for consultants and/or contractors necessary to complete a welcome kiosk project,
6. research funding options, including grants, and the costs of construction for said welcome kiosks and on-going operational costs.

The results of Administration's findings are to be delivered at the **Governance and Priorities Committee** on September 13, 2011 for discussion, with the goal of corresponding with the 2012 budget preparations.

Attachments: Community Futures Visitor Friendly Communities report (endorsed by Council on May 18, 2010)



Municipality of Crowsnest Pass

Council Agenda Report

Meeting: Governance & Priorities Committee
Meeting Date: September 13, 2011
Originated By: Marion Vanoni, Director of Finance & Systems
Subject: Elected Officials Education Program

Administration Recommendation:

That the Governance and Priorities Committee receive this report for information.

Background

The EOPEP was incorporated in 2007 and is administered by the Alberta Elected Officials Education Program Corporation which is a jointly-owned subsidiary of the AUMA and AAMDC. The curriculum set by this organization is designed specifically for policy makers. The EOPEP (Elected Official Education Program) has announced that its core courses will soon be available online and it has also established a new pricing model.

Discussion:

Please see the attached information and visit www.eoep.ca for further information regarding the educational opportunities available online and in workshop form.

Historically, Council has budgeted for annual conferences and workshops and in the future may consider EOPEP courses as part of the budgeting process.

Alternatives:

n/a

Financial Impact:

Online courses are cost effective as travel costs are not incurred. The new pricing model is reasonable with courses are available for \$350 and \$250.

Attachments:

1. New EOEP Online Education Pricing and Offerings
2. EOEP Website Home Page

Approvals:

CAO

Department Head

4c

New EOEP Online Education Pricing and Offerings

The EOEP Board of Directors has approved several changes to the Elected Officials Education Program in recent months. A new pricing model for its online education is now in place and more courses will join *Municipal Leadership* as an online program offering.

In addition to providing elected officials more flexibility in their studies (registrants have 90 days to complete each course), online education options are cost-effective due to reduced registration fees and limited travel expenses. EOEP's mandatory courses, *Municipal Governance* and *Municipal Finance*, are now just \$350 and all others are \$250.

The Elected Officials Education Program (EOEP) is pleased to announce that its core courses will soon be available to Alberta municipal elected officials online. *Municipal Leadership* is already available, *Municipal Governance* and *Municipal Finance* will be available before the end of July, and the remaining four core courses will become available over the next four months.

Says Coronation Mayor Dawna Elloitt "the Municipal Governance online course is exactly what our council is looking for not only in terms of continuing education about our roles and responsibilities but also in terms of how easy this would be to fit into every councillor's schedule".

As an elected official, you face a number of challenges. The demanding arena of municipal politics requires you to continuously expand your knowledge and skills to stay current. The diverse selection of EOEP courses, designed specifically for policy makers, will allow you to be more relevant in your role as an elected official and give you a solid foundation for leading your community.

The EOEP was developed to provide elected municipal officials with an opportunity to broaden their knowledge and skills, thus raising the quality of municipal government and enabling those in office to effectively achieve the goals of their communities.

Providing a solid foundation for strong municipal government, EOEP courses:

- address issues important to elected municipal officials;
- provide content relevant to today's environment;
- deliver knowledge and skills that improve decision- and policy-making;

- create an interactive and engaging format that promotes networking and mentoring;
- ensure accessibility throughout Alberta with an accommodating schedule, distance learning and varied course locations.

Carolyn Kolebaba, Councillor Northern Sunrise and AAMDC VP, strongly supports the program and says “EOEP is a great elected official venue to learn from your peers and educators which is an asset to make better decisions based on knowledge learned through the program”.

All EOEP courses are designed to strengthen one of four core competencies:

Strategy (designed to strengthen strategy and business acumen competencies)

Efficiency (designed to strengthen effective governance competencies)

Collaboration (designed to strengthen community-building competencies)

Influence (designed to strengthen communication and interpersonal competencies)

Incorporated in 2007, the Elected Officials Education Program (EOEP) is administered by Alberta Elected Officials Education Program Corporation (AEOEPC). The AEOEPC is a jointly-owned subsidiary of the Alberta Association of Municipal Districts and Counties (AAMDC) and the Alberta Urban Municipalities Association (AUMA). These organizations, with Alberta Municipal Affairs, participated in the development of EOEP's various courses for the benefit of all Alberta municipal elected officials.

For more information or to enrol in EOEP visit www.eoep.ca or contact Registrar Sheena Linderman at 403-346-1040 or eoep@telus.net.



[Home](#) [About](#) [Courses](#) [FAQ](#) [Contact Us](#)

Welcome to EOEP

New Online Courses Now Available!

EOEP is pleased to announce that in addition to **Municipal Leadership** we are now offering **Municipal Governance, Municipal Finance, Communications and Media Relations ONLINE!**

Curriculum Review Teams

The Elected Officials Education Program (EOEP) is currently seeking municipal managers and administrators interested in assisting the Registrar with a curriculum review of courses which have been deployed since 2008. The program is intended to improve competencies of Alberta municipal elected officials and raise the quality of municipal governance.

-  [Bulletin for Curriculum Review Teams](#)
-  [Curriculum Review Background](#)

Be more...Achieve more



As an elected official, you face a number of challenges. The demanding arena of municipal politics requires you to continuously expand your knowledge and skills, staying current. The diverse selection of Elected Officials Education Program (EOEP) courses, designed specifically for policy makers, will give you a solid foundation for leading your community, allowing you to be more relevant in your role as an elected official.

The EOEP was developed to provide municipally elected officials with an opportunity to broaden their knowledge and skills, raising the quality of municipal government and enabling those in office to effectively achieve the goals of their community.

Providing a solid foundation for strong municipal government, the EOEP will:

- Address issues that are important to municipal elected officials
 - Provide content that is relevant to today's environment
 - Deliver knowledge and skills that improve decisions and policy
 - Create an interactive and engaging format that promotes networking and mentoring
 - Ensure accessibility throughout Alberta with an accommodating schedule and varied course locations

As a dedicated and committed advocate for your community members, your service is appreciated... your quest for excellence and life long learning is inspiring.



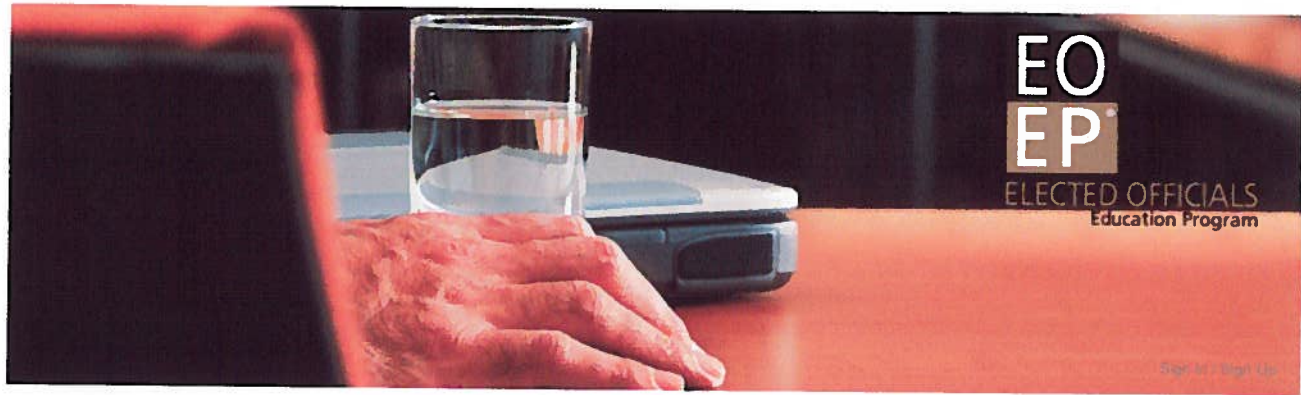
Municipal Governance
 September 19 and 20, 2011
 Olds, AB
 Location: Ramada Inn
 Instructor: Gordon McIntosh

Effective Planning and Strategy
 September 27, 2011
 Calgary, AB
 Telus Convention Centre
 Instructor: Gordon McIntosh

Municipal Finance
 October 21, 2011
 Penhold, AB
 Location: Penhold Multiplex
 Instructor: Colette Miller

Addressing Local Infrastructure Issues
 November 21, 2011
 Edmonton, AB
 Shaw Conference Centre
 Instructor: TBA

See a future course that interests you?
 Looking for a course that isn't listed? Please contact us using our [Contact Form](#) and we'll contact you when the registration opens.



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Course Descriptions

The EOEP offers you a unique and customized learning opportunity by providing a program that is dynamic and meets the current and future demands of elected officials.

Click on a course heading below or on the right panel to learn more about it.

- [Strategy and Business Acumen Courses](#)
- [Effective Governance and Decision Making Courses](#)
- [Community Building Courses](#)
- [Communication and Interpersonal Skill Courses](#)

Course Headings

- [Strategy and Business Acumen Courses](#)
- [Effective Governance and Decision Making Courses](#)
- [Community Building Courses](#)
- [Communication and Interpersonal Skill Courses](#)



Municipality of Crowsnest Pass

Council Agenda Report

Meeting: Governance & Priorities Committee
Meeting Date: September 13, 2011
Originated By: Marion Vanoni, Director of Finance & Systems
Subject: Franchise Agreements and Linear Assessment

Administration Recommendation:

That the Governance and Priorities Committee receive this report for information.

Background

Franchise Agreements

The Municipality currently has a Natural Gas Distribution System Franchise Agreement in place with ATCO Gas and Pipelines Ltd. and an Electric Distribution System Franchise Agreement in place with Fortis Alberta Inc.

Altalink is a Transmission provider and is not subject to Distribution Franchise Fees, however, they do have annual structure payments for transmission poles or towers on private and crown property for which we will be investigating further based on the placement and upgrade of the existing transmission system.

Linear Assessment

Attached for Council's information is a detailed spreadsheet of the Annual Linear Assessment for utility and communication companies with systems within Municipal Boundaries. Similar to residential and commercial properties, linear systems owned by companies like ATCO Gas, Fortis Alberta Inc. and Altalink have assessed values the Municipality taxes annually for which the nonresidential mill rate is applied. Unlike residential and commercial properties that are assessed by the Municipality's property tax assessor, the assessed values for Linear Properties are determined by the Province - two exclusive assessment processes.

As presented in the attached report, the 2011 annual linear municipal property tax income is \$581,779 which includes: \$50,685-Altalink, \$43,150-ATCO Gas (gas distribution) and \$18,605.08 - Fortis Alberta. These taxes are in addition to the franchise fees currently charged for distribution and would be in addition to Alta Link's structure payments for its transmission poles or towers (should this be an option).

Approvals:

CAO

Department Head

4e

Discussion:

Fortis Alberta Inc.-Electric Distribution System Franchise Agreement

1. The agreement was enacted as a Municipal bylaw - Bylaw 654, 2005 on September 6, 2005 and approved by the AUC (Alberta Utilities Commission) on June 20, 2006.
2. The agreement/bylaw will expire on December 31, 2015.
3. The Franchise fee percentage shall not exceed twenty percent unless approved by AUC (Alberta Utilities Commission).
4. Notice to Fortis Alberta to increase the fee must be made by the Municipality by October 15 of each year, with the change effective for the next calendar year.
5. Franchise Fee History:
 - 2006-2008 = 0%
 - 2009-2010 = 5% (approved by Council September 2008)
 - 2011 = 8% (approved by Council September 2010)
6. Revenue Generation:

The Franchise Fee is calculated as a percentage of Fortis's actual gross revenue in that year from the Distribution Tariff rates charged for Distribution Access Service within the Municipality.

8% will generate approximately \$150,000 of income to the Municipality.
7. Transfer to Reserve:

In 2009 and 2010 Council approved the allocation of 50% of this income to an Electrical Capital Replacement Reserve. The purpose of the reserve is to provide funding for the upgrade of the Municipality's Electrical Distribution System.

Natural Gas Franchise Agreement -ATCO Gas and Pipelines Ltd.

1. The agreement was enacted as Municipal bylaw – Bylaw 757, 2008 on June 24, 2008 and approved by the AUC (Alberta Utilities Commission) on November 26, 2008-Order U2008-357.
2. The agreement/bylaw will expire on November 27, 2020 (term is 12 years from the first day after AUC approval).
3. The Franchise fee percentage shall not exceed thirty-five percent unless approved by AUC (Alberta Utilities Commission).
4. Notice to ATCO Gas to increase the fee must be made by the Municipality by November 15 of each year, with the change effective for the next calendar year.
5. Franchise Fee History :
 - 2009-2011= 15% (franchise fee only-linear taxes collected separately)
 - Prior to 2009, the Franchise Agreement consolidated linear taxes with the franchise fee which equated to an average of \$250,000 per year - keeping in mind this was a consolidation of the franchise fee and taxes which after 2009 became separate Municipal income sources
6. Revenue Generation:

The Franchise Fee is calculated as a percentage of ATCO Gas's revenue derived only from the non-gas portion of its customers' bills within the Municipality.

15% will generate approximately \$210,000 of income to the Municipality.
7. This Franchise Fee is assumed into the general revenues for operations.

Discussion (continued):

Bill 203 – Local Access and Franchise Fees Amendment Act, 2010

Bill 203 is a Private Member's Bill (Kyle Fawcett) that was introduced and received first reading on February 25, 2010. In the opinion of AUMA, AAMDC and its Members, Bill 203 "aims to restrict municipal control over utility franchise fees and would erode municipal autonomy. Under Section 360 of the MGA, local municipalities are legislated to govern their own unique circumstances by managing how franchise fees are set." Bill 203 would prescribe a single formula for all municipalities which in turn removes municipalities' ability to offset cost increases through franchise fee revenues resulting in increases to property taxes and user fees. It is perceived that Bill 203 would have an overall negative impact on municipal government revenue." See attached AUMA Members Notice and Bill 203 Timeline and Private Member Kyle Fawcett's, commentary outlining his position on Bill 203.

In October 2010 Bill 203 was referred back to the Department of Municipal Affairs for further review and as of June 7, 2011 Municipal Affairs had received AUMA's comments on its position. No further announcements have come forward since this time.

As the Municipality's Franchise agreements do not expire until 2015 and 2020, Administration will be researching how these contracts could be impacted before they expire as it would relate to any change in Franchise Fees for the triennial budget of 2012, 2013 and 2014.

Alternatives:

Financial Impact:

The matter of Franchise Fees will be brought forward for Council's review at the September 20, 2011 Council meeting for which consideration will be given to 2012, 2013 and 2014 Franchise Fee levels for the triennial budget.

Attachments:

1. Linear Assessment Annual Comparisons
2. AUMA Member Notice-A Win for Municipal Autonomy: Bill 203 on Hold
3. Impact of Bill 203 on Municipalities (AUMA)
4. Bill 203 Timeline
5. Kyle Fawcett (Private Member) Commentary on Bill 203 referred back to Municipal Affairs
6. Residential Billing for monthly Retailer Charges-Electrical and Natural Gas

LINEAR ASSESSMENT ANNUAL COMPARISONS

nores millrate 2011	10.181342
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TAX ROLL	NAME	CATEGORY	2006 TAXABLE ASSESSMENT	2009 TAXABLE ASSESSMENT	2010 TAXABLE ASSESSMENT	DIFFERENCE	2011 TAXABLE ASSESSMENT	DIFFERENCE	2011 Property Tax Income
2103800	ALTA LINK	Electric Power Systems	5,708,300	5,156,220	4,532,510	(623,710)	4,978,250	445,740	50,685.27
2104003	FORTIS ALBERTA	Electric Power Systems	2,065,890	2,322,810	1,785,440	(537,370)	1,827,370	41,930	18,605.08
2103700	ATCO GAS	Pipelines	3,684,560	332,770	344,640	11,870	331,210	(13,430)	3,372.16
2103901	MCNP STREET LIGHTING	Electric Power Systems	1,031,590	1,891,790	1,874,410	17,380	1,149,640	(724,770)	11,704.88
2104100	NORTHSTAR ENERGY CORP.	Pipelines	1,655,300	2,513,660	2,313,360	(200,300)	2,223,240	(90,120)	22,635.57
2103900	NOVA GAS TRANSMISSION	Pipelines	26,561,370	40,901,160	37,515,350	(3,385,810)	36,053,710	(1,461,640)	367,075.15
2104002	ROGERS WIRELESS INC	Telecommunication Systems	582,050	601,340	618,100	16,760	623,690	5,590	6,350.00
2104000	SHAW CABLESYSTEMS	Cable Television	547,710	624,410	752,520	128,110	752,610	90	7,662.58
2103600	TELUS COMMUNICATION	Telecommunication Systems	4,840,030	3,431,040	3,309,370	(121,670)	3,361,950	52,580	34,229.16
1023324	TELUS MOBILITY INC	Telecommunication Systems	214,980	266,430	1,051,370	784,940	1,105,200	53,830	11,252.42
2103701	TRANS-CANADA PIPELINES	Pipelines	352,200	495,430	455,950	(39,480)	438,190	(17,760)	4,461.36
2103702	ATCO GAS	Gas Distribution	0	4,666,930	4,367,820	(299,110)	4,238,170	(129,650)	43,150.26
2104001	BELL CANADA	Telecommunication Systems	0	43,210	57,950	14,740	58,470	520	595.30
TOTALS			47,243,980	63,247,200	58,978,790	(4,233,650)	57,141,700	(1,837,090)	581,779

Member Notices

IMPORTANT NOTICE
October 14, 2010

Attention: Mayors, Councillors & CAOs

A Win for Municipal Autonomy: Bill 203 on Hold

The controversial and hotly debated Bill 203, which aims at restricting municipal control over utility franchise fees, has been put on hold by the provincial Standing Committee on Community Services and will be sent back to the Minister of Municipal Affairs for consultation with AUMA and AAMDC.

Municipalities across the province voiced concern over the private member's bill sponsored by MLA Kyle Fawcett. Many municipalities had expressed serious concern over the erosion of municipal autonomy and pointed out that there was a lack of effective consultation with the very local governments that would be affected by the new legislation.

AUMA argued for the protection of municipal autonomy during the review by the Standing Committee. Here are some of the facts:

- **Under Section 360 of the MGA, municipalities are granted the authority to charge fees in lieu of property taxes for access to municipal lands in the construction, maintenance, and operation of distribution systems.**
- **This legislation allows local municipalities to govern their own unique circumstances by managing how these fees are set.**
- **It seems obvious but NOT ALL municipalities are the same. Municipalities develop at different rates and therefore have different costs associated with their expansion. It is essential that legislation has built-in flexibility to allow municipalities to adapt to their specific circumstances.**
- **Private Utility Companies are using a right-of-way without paying rent or purchasing the land. Municipalities are responsible for the direction, control, and management of all roads within the municipality (Section 18 MGA). This provision provides municipalities with compensation for the use of the right-of-way as well as support of infrastructure costs.**

Thank you,

John McGowan
CEO

Brian Jackowich
Senior Director, Energy Services

Impact of Bill 203 on Municipalities

- Bill 203 proposes to amend the MGA and prescribe a single formula, which reduces municipal autonomy.
- Bill 203's one fee-formula may not work for all municipalities.
- Bill 203 removes municipalities' ability to offset cost increases through franchise fee revenues.
- Bill 203 proposes to change the way municipalities record the revenue collected from franchise fees (separated out).
- Bill 203 may result in budget shortages, that would have to be addressed through increases in property tax, user fees, and/or cuts to municipal programs and services.
- Bill 203 would have a negative impact on the revenue of municipal governments.



Bill 203 Timeline

- ▶ **February 25, 2010** - Bill 203, *Municipal Government (Local Access and Franchise Fees) Amendment Act, 2010*, was introduced and received first reading.
- ▶ **April 19, 2010** – during the second reading debate referred to the Standing Committee on Community Services (SCCS).
- ▶ **May 12, 2010, June 28, 2010** and **October 6, 2010** - SCCS Committee meetings were held.
- ▶ **May 12, 2010** – Bill sponsor (Mr. Kyle Fawcett) gave a presentation to the SCCS.
- ▶ **September 8, 2010** – 18 Written submissions were received from identified stakeholders and members of the public, and public hearings were held in Edmonton.
- ▶ **September 8, 2010** - 6 interested parties made oral presentations to SCCS (AUMA among stakeholders that presented).



Bill 203 Timeline (cont'd)

- ▶ **October 10, 2010** – SCCS Report to the Assembly.
- ▶ **Bill 203 is NOT defeated!** Assembly referred Bill 203 back to the Department of Municipal Affairs.
- ▶ **April 2011** – Municipal Affairs asked AUMA to comment on formula based calculation of fees across all municipalities – AUMA position is unchanged.
- ▶ **June 7, 2011** – AUMA received thank you letter from Municipal Affairs that AUMA comments will be used in the next phase.
- ▶ AUMA continues to monitor Municipal Affairs intent regarding Bill 203.





Bill 203: The end of the road, or is it?

POSTED BY KYLE AT 12:22 PM ON NOVEMBER 5, 2010

Last week the legislature concurred with the Standing Committee on Community Services recommendation that Bill 203 not proceed. Many media outlets have asked what I thought about this recommendation; naturally, I **have indicated my disappointment**, but it's also important to recognize that the committee's recommendations were based on important parts of the bill and will push its intent forward.

Bill 203 would, as I saw it, establish the most fair and transparent requirements for municipalities to charge local access and franchise fees, while continuing to allow municipalities the flexibility in collected revenue through these fees. It became apparent, though, from the committee's consultations, that the Bill had caused some particular divisions between municipalities across the provinces. Because municipalities across the province used different formulas for collecting revenue from these fees, the main argument they put forward was that Bill 203 significantly impacted municipal autonomy and flexibility. In certain respects, they are right, but mostly this argument was way overstated.

While Bill 203 proposed that all municipalities use a common unit on which to base local access and franchise fees, it did not prescribe a particular rate, allowing municipalities' total and complete flexibility in establishing this rate. Municipal autonomy is, indeed, a laudable and worthy objective, but it must also be recognized that the Alberta Government must balance this objective off with principles such as transparency and clarity for rate-payers. This is what the Municipal Government Act does; it balances unfettered municipal autonomy and flexibility with other worthy objectives on behalf of all Albertans.

In its **final analysis**, the all-party committee decided that further discussions and consultations were required on how best achieve this balance. The committee may have rejected the specific clauses of Bill 203, but they fully endorsed the broad concept of the bill that promoted greater balance between municipal autonomy and flexibility, and the need for greater transparency, fairness and clarity for rate payers and citizens. As a result, the committee also recommended that the Minister of Municipal Affairs work with municipalities develop a local access and franchise fee formula that provides "consistency and predictability to consumers across the province". In addition, the committee recommended that the Minister of Energy change the appropriate regulation to require that utility bills name the municipality which benefits from these fees, thereby making it clear to consumers that the local access and franchise fees go towards municipal general revenue, rather than the utility operator.

Finally, the committee recognized what became a real driver for this Bill, and that is the unfairness of using a formula to collect these fees that factors in commodity price (essentially a sales tax on your bill). This type of methodology used by the City of Calgary and a few other municipalities is unfair and does not make sense on many different levels. First, the commodity price has no connection to access and use of utility corridors, which is the original intent of these fees to begin with (to allow municipalities to collect revenue in lieu of property taxes to offset costs associated with access and use of utility corridors). There is NO associated increase or decrease in the costs associated with access and use of utility corridors if the price of natural gas or electricity goes up or down, so why should it be acceptable to use a formula that includes this volatility? The committee agreed that this is unacceptable and as part of its recommendation to move towards a consistent formula across the province; it further recommended that any formula "NOT utilize a variable that factors in commodity prices". Secondly, it is also important to note that any commodity price-based formula also provides for a very volatile and unpredictable revenue source for municipalities, as **noted by the City Manager for the City of Calgary (pp.410-411)**. This a perplexing admittance, as it does not reconcile with the concept that municipalities require stable and predictable funding sources.

While Bill 203 is not proceeding as it was conceived, its cause lives on, and Alberta rate payers will be better off for it. From the beginning, part of the intent was to spark a real discussion about these fees, and the fairness and transparency around them. There is always more than one way to skin a cat, and while the Legislature agreed that Bill 203 is not the preferred mechanism to get at the issue of local access and franchise fees, it was recognized that some changes are needed. I look forward to seeing the Minister of Municipal Affairs and Alberta's municipalities deal with the recommendations of the committee in an expedient manner.

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203 Op/Ed

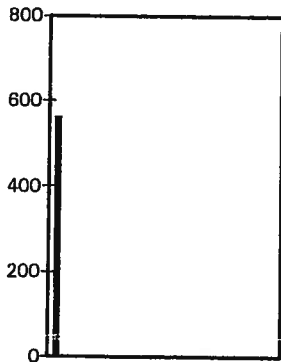
MAR 15/10 | [COMMENTS](#) (0)

ACCOUNT NUMBER	STATEMENT DATE
78 1651715 1 01 0	AUG 22 2011

RETAILER CHARGES Electricity Site ID 0040261650005

11321 21 AVE CROWNEST PASS AB TOKOEO

KWH Consumption by Billing Cycle



J 2011 2011
 Avg Temp: Jun 2011 +13.65
 Avg Temp: Jun 2010 +14.19

From	To	Energy Used (kWh)
Jun 30	Jul 25	561.00

Energy Rate (\$/kWh) Energy Charge (\$)
 561.00 x 0.089900 = 50.43

Current Energy Charges	
Administration Fee - Fixed	4.50
Total Energy Use Charge - Electricity	50.43
Sub-Total	54.93
GST	2.75
CURRENT ENERGY BILLING	57.68

DISTRIBUTOR CHARGES Electricity Site ID 0040261650005

11321 21 AVE CROWNEST PASS AB TOKOEO

 Distribution Services provided by:
FORTIS ALBERTA INC

From	To	Distribution Usage
Jun 30	Jul 25	561.00

 Meter Readings Provided By
 FORTIS ALBERTA INC
 Meter: 00000000001259822

Last	Reading
Actual Jul 25	20,914

Current Distributor Charges	
Transmission Charge	9.46
Distribution Charge	24.92
Rate Riders	5.89
Local Access Fee	2.86
Sub-Total	43.13
GST	2.16
CURRENT DISTRIBUTOR BILLING	45.29

Total Charges for Site 0040261650005	102.97
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Customer Copy

ACCOUNT NUMBER	STATEMENT DATE
78 1651715 1 01 0	AUG 22 2011

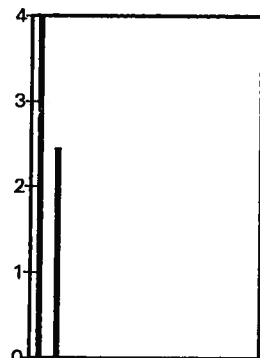
Location Summary

LOCATION	NATURAL GAS	ELECTRIC	TOTAL
11321 21 AVE BLAIRMORE AB TOKO	66.49		66.49
11321 21 AVE CROWNEST PASS AB		102.97	102.97
TOTAL	66.49	102.97	169.46

RETAILER CHARGES Natural Gas Site ID 0003289162513

11321 21 AVE BLAIRMORE AB TOKOEO

GJ Consumption By Billing Cycle



J A 2011 2011
 Avg Temp: Jul 2011 +17.61
 Avg Temp: Jul 2010 +18.89

From	To	Energy Used (GJ)
Jul 15	Jul 31	2.22
Jul 31	Aug 16	2.44

MULTI-PERIOD BILL

Current Energy Charges	
Administration Fee - Fixed	4.50
Total Energy Charges - Natural Gas	23.09
Sub-Total	27.59
GST	1.38
CURRENT ENERGY BILLING	28.97

DISTRIBUTOR CHARGES Natural Gas Site ID 0003289162513

11321 21 AVE BLAIRMORE AB TOKOEO

Distribution Services provided by:
ATCO GAS (SOUTH)

From	To	Distribution Usage
Jul 15	Aug 16	4.66

Meter Readings Provided By
 ATCO GAS (SOUTH)
 Meter: T00012-774304

Last	Reading
Actual Aug 16	714

Current Distributor Charges	
Delivery Charge - Fixed	21.38
Delivery Charge - Variable	3.00
Rate Rider	4.44
Storage Rider	1.32
Municipal Franchise Fee	5.59
Sub-Total	35.73
GST	1.79
CURRENT DISTRIBUTOR BILLING	37.52

Total Charges for Site 0003289162513

66.49