

DELEGATIONS

Kevin Phillips, Phillips Partners Inc.- Electrical Distribution Overview

Mr. Kevin Phillips of Phillips Partners Inc. presented an overview of the electrical distribution system. He provided explanation on the physical flow of electricity from the Generators (coal, gas, hydro, wind) and imports from British Columbia and Saskatchewan to Transmission Facility Owners (Atlalink, Atco, Enmax, Epcor, Lethbridge and Red Deer) to the Distribution Facility Owners (Fortis, Atco, Enmax, Epcor, Lethbridge, Red Deer, Crowsnest, Cardston, Ponoka and Fort Macleod) and for final delivery to the customers.

Additional explanation was provided regarding how the pricing of electricity is billed, beginning with the Generators which must be dispatched through AESO (Alberta Electric System Operator), through AESO to the Retailers (Enmax, Direct Energy, Nexen and Epcor) and onto the Customers.

Discussion provided by Mr. Phillips included:

- The role of the Alberta Electric System Operator (AESO.) AESO provides a transmission planning function, and as such they are involved directly with the contracting of transmission facility owners to provide access to the electrical grid.
- An additional function of AESO is Load Settlement. Load Settlement is the process of determining the hourly consumption of electric energy for each customer in Alberta. This information is required by regulated rate providers to determine how much electric energy needs to be purchased through the Power Pool (all energy bought and sold in Alberta goes through the Power Pool.)
- Another function that AESO performs is the Transmission Tariff. The Transmission Tariff is the amalgamation of all the costs from each Transmission Facility Owner. This Tariff is paid by Distribution Facility owners when they connect to the distribution system, in the case of the Municipality of Crowsnest Pass, Fortis pays our Transmission Tariffs initially, then they bill the Municipality at the four points that we are connected, the Municipality then bills these fees to the retailers which is then billed to our customers.
- Mr. Phillips outlined our rights and obligations as a Distribution Facility Owner. The Municipality of Crowsnest Pass has exclusive right to provide Distribution Access Service within its service area. We are obligated to prepare a Distribution, Regulated Rate and Default Supplier Tariff and must comply with the Electric Utilities Act, Billing Regulation, Regulated Rate Tariff Regulation, Tariff Billing Code, Settlement Code and Alberta Reliability Standards. Mr. Phillips noted that contracting to Enmax for wire services and load settlement is crucial as the Municipality does not have the manpower to provide these services internally.
- Mr. Phillips provided explanation on Critical Transmission Infrastructure (CTI) Projects which are 5 projects approved through Bill 50 that bypassed AESO planning that will cost in excess of 15 billion dollars. These projects are projected by AESO to increase costs 20-25% by 2015.
- Municipal Electric Systems costs were identified as Enmax Power Wire Service Charges, Mandated Smart Grid Infrastructure Costs, Balancing Pool Credit (Generation facilities that were sold and get distributed provincially) and Municipal Distribution costs (Labour and materials.)
- Marion Vanoni, Director of Finance & Systems would like to schedule a budget planning session with Council, Phillips Partners Inc. and the electrical staff to discuss capital and operational needs for the upcoming triennial budgeting period. This session will be scheduled within the last two weeks of November.

TOPICS FOR DISCUSSION

Amendment to Municipal Government Act Re: Advertising

Kevin Robins, Interim Chief Administrative Officer presented the proposed amendment to the Municipal Government Act regarding social media advertising. This amendment would give Municipalities the option of utilizing social media forms (Municipal websites, Facebook and Twitter) to communicate legislated advertising.

Discussion Included:

- This resolution will be placed on the upcoming Mayor's & Reeves of South West Alberta agenda.
- Councillor Mitchell would like a definition of social media included in the resolution. Mr. Robins will include this definition.

Manager of Operational Services- Position Award

Myron Thompson, Director of Operational Services announced that Mr. Robert Schulz has been awarded the position of Manager of Operational Services. Mr. Schulz brings 21 years of experience in Public Works and he will commence duties on Monday, October 31st, 2011.

Notification of Council Committee Meeting- In Camera

There will be a Council Committee Meeting, In Camera, on Thursday, October 27th, 2011 at 1:00 pm in to discuss personnel.

IN CAMERA

G#170-11: Councillor Saje moved that Council go In Camera at 7:40 pm.

RECESS/ RECONVENE

Mayor Decoux declared a five minute recess.

OUT OF CAMERA BUSINESS

G#171-11: Councillor Lonsbury moved that Council come Out of Camera at 9:55pm

AJOURN

G#172-11: Councillor Saje moved to adjourn the meeting at 9:56 pm.

CARRIED UNANIMOUSLY

Original Signed

Bruce Vernon Decoux

MAYOR

Myron Thompson

CHIEF ADMINISTRATIVE OFFICER