



Claresholm

REQUEST FOR DECISION

Meeting: March 24, 2025

BYLAW 1799 – ATCO FRANCHISE AGREEMENT RENEWAL

DESCRIPTION/BACKGROUND:

Council has agreed to renew its Franchise Agreement with ATCO Gas and Pipelines Ltd. Key details of the new agreement include – a 20 -year term, and maintaining the current 14% franchise fee (Rider A), and liner taxes (Rider B). The agreement provides ATCO with the exclusive rights to install pipe in municipal right-of-way for the purpose of delivering gas to customers.

With this agreement, ATCO agrees to bear full responsibility of the distribution system and ensure all services delivered in the municipality are in accordance with ATCO's delivery tariff. The agreement also outlines the process for a potential sale of the natural gas distribution system, distribution system expansion, and repairs and relocations of the distribution system.

The agreement is formally adopted via bylaw, so Bylaw 1799 is presented for 1st-Reading. Much like when the municipality raises the franchise fee, the agreement renewal must be advertised locally. The bylaw will not return for 2nd and 3rd readings until this notification requirement has been met.

PROPOSED RESOLUTIONS:

Moved by Councillor _____ to give Bylaw 1799, the ATCO Gas and Pipelines Ltd. Franchise Agreement Bylaw, 1st Reading.

ATTACHMENTS:

- 1.) Bylaw 1799, ATCO FRANCHISE FEE RENEWAL
- 2.) Atco Franchise Agreement

APPLICABLE LEGISLATION:

- 1.) MGA Chapter M-26, Part 3, Division 3, Section 45 - 47

PREPARED BY: Abe Tinney, CAO

DATE: March 17, 2025
