

SMOKY LAKE COUNTY

A G E N D A: County Council Meeting for the purpose of a
Utilities Meeting: Natural Gas
to be held on
Wednesday, April 15, 2020 at 9:00 o'clock A.M.
in the County Council Chambers, Smoky Lake.

1. Meeting:

1.1 Call to Order

2. Agenda:

Acceptance of Agenda:
as presented or
subject to additions or deletions

3. Minutes:

3.1. Adopt minutes of February 24, 2020– Utilities Meeting: **Natural Gas Meeting.** ©

Recommendation: Motion to Adopt.

3.2 Utilities Meeting: – February 24, 2020 Natural Gas: **Action List.** ©

Recommendation: File for Information

4. Request for Decision:

4.1 Corridor Communications Inc. Board of Directors Nomination ©

4.2 90-Day Utility Payment Deferral ©

5. Issues for Information:

5.1 Manager’s Report. ©

5.2 March Natural Gas Rates ©

5.3 April Natural Gas Rates ©

6. Correspondence:

- 6.1 Allison Moller, Controller, Gas Alberta Inc. dated February 14, 2020 – RE: Gas Alberta December 2019 Interim Report ©

Recommendation: File for Information

- 6.2 Jason Cathcart, Director, Rural Utilities dated March 13, 2020 – RE: Relaxation of Rural Utilities Regulation, Schedule 3, Section 3 – Annual Meetings ©

Recommendation: File for Information

- 6.3 Paul Dunsmore, President & CEO, Gas Alberta Inc. dated March 16, 2020 – RE: Update from Gas Alberta ©

Recommendation: File for Information

- 6.4 Kevin Crush, Corporate Services Manager, Federation of Alberta Gas Co-ops Ltd. dated March 19, 2020 – RE: Utility Payment Deferral ©

Recommendation: File for Information

- 6.5 Kevin Crush, Corporate Services Manager, Federation of Alberta Gas Co-ops Ltd. dated March 22, 2020 – RE: Utility Payment Deferral ©

Recommendation: File for Information

- 6.6 Kevin Crush, Corporate Services Manager, Federation of Alberta Gas Co-ops Ltd. dated March 26, 2020 – RE: Utility Essential Services During COVID-19 ©

Recommendation: File for Information

7. Delegation(s):

No Delegations.

8. Executive Session:

9. Date and time of Next Meeting(s):

Adjournment

SMOKY LAKE COUNTY

Minutes of the **Natural Gas Meeting** held on Monday, **February 24, 2020** at 9:40 A.M. in County Council Chambers.

The meeting was called to Order by the Chairperson, Lorne Halisky, in the presence of the following persons:

<u>Div. No.</u>	<u>Councillor(s)</u>	<u>ATTENDANCE</u> <u>Monday, Feb. 24, 2020</u>
1	Dan Gawalko	Present
2	Johnny Cherniwchan	Present
3	Craig Lukinuk	Present
4	Lorne Halisky	Present
5	Randy Orichowski	Present
C.A.O	Cory Ollikka	Present
Asst. C.A.O.	Lydia Cielin	Present
Finance Manager	Brenda Adamson	Present
Nat. Gas Manager	Daniel Moric	Present
Legislative Svcs/R.S.	Patti Priest	Present

No Member of the Public in attendance.

No Member of the Media in attendance.

2. Agenda:

550-20: Orichowski That the Smoky Lake County Natural Gas Meeting Agenda for Monday, February 24, 2020 be adopted, as amended:

Addition to the Agenda:

1. Federation of Alberta Gas Co-ops Ltd. next Zone Meeting.

Carried Unanimously.

3. Minutes:

551-20: Lukinuk That the Minutes of the Smoky Lake County Natural Gas Meeting held on Monday, December 16, 2019, be adopted.

Carried.

552-20: Gawalko That the Action List from the Smoky Lake County Natural Gas Meeting dated December 16, 2019, be accepted as presented.

Carried.

4. Request for Decision:

Replacement Odorator

553-20: Lukinuk

That Smoky Lake County Council approve the purchase from Hetek Solutions Inc. in the amount of \$7,950.48 as per their quote # ORD0037924, dated February 3, 2020 for the unit required by the Federation O&M manual to measure the intensity of the odorant injected into the natural gas at the County's RMO stations known as a Heath Odorator as a replacement for the current unit which is approximately 30-35 years old, and approve to fund the said purchase from the Natural Gas Reserve Budget.

Carried.

Addition to the Agenda:

Federation of Alberta Gas Co-ops Ltd. – Zone Meeting

554-20: Orichowski

That Smoky Lake County Council and relevant Staff who can attend - attend the Federation of Alberta Gas Co-ops Ltd, Zone Meeting scheduled for March 31, 2020 at 10:00 a.m. in Thorhild.

Carried.

One member of the public entered Council Chambers, time 9:48 a.m.

5. Issues for Information:

Manager's Report

555-20: Lukinuk

That Smoky Lake County Council accept the Natural Gas Manager's Report of statistics and activities dated February 6, 2020, and file it for information.

Carried.

Natural Gas Rate – January 2020

556-20: Cherniwchan

That the Smoky Lake County Natural Gas Rates for **January 2020**, from Gas Alberta in the amounts of \$2.20 (Gas Alberta Rate) + \$0.22 (Variable) + \$1.90 (Operations & Maintenance Charge) = \$4.32, be filed for information.

Carried.

Natural Gas Rate – February 2020

557-20: Orichowski That the Smoky Lake County Natural Gas Rates for **February 2020**, from Gas Alberta in the amounts of \$2.20 (Gas Alberta Rate) + \$0.22 (Variable) + \$1.90 (Operations & Maintenance Charge) = \$4.32, be filed for information.

Carried.

Alberta Agriculture and Forestry - Smoky Lake County Quality Management Plan

558-20: Gawalko That Smoky Lake County acknowledge receipt and review of the Smoky Lake County Natural Gas Utility Quality Management Plan (QMP) as prepared by the Rural Utilities Section of Alberta Agriculture and Forestry, included with the letter received from Maureen Magee, Rural Utilities Section, Alberta Agriculture and Forestry, dated January 6, 2020; **and**, approve the County Reeve, Chief Administrative Officer and Gas Utilities Manager to affix their signatures to the said QMP; **and**, forward an original signed copy of the said QMP to the Rural Utilities Section of Alberta Agriculture and Forestry's office.

Carried.

6. Correspondence:

Gas Alberta Inc.

559-20: Cherniwchan That the email correspondence received by Smoky Lake County's Natural Gas Manager, from Len Spratt, Chair, Board of Directors, Gas Alberta Inc. dated December 20, 2019 announcing Mr. Paul Dunsmore as the Gas Alberta Inc's President and CEO, effective January 13, 2020, be filed for information.

Carried.

TC Energy Inc. - Meter Station and Lateral Abandonment Program

560-20: Orichowski That the email correspondence received by Smoky Lake County's Natural Gas Manager, from Nelson Ching, Public Affairs-Canada West, TC Energy Inc. dated January 14, 2020 in regard to the 2018 Meter Station and Lateral Abandonment Program update, for facilities located outside the County's jurisdiction, be filed for information.

Carried.

Federation of Alberta Gas Co-ops Ltd.

561-20: Gawalko That the correspondence received by Smoky Lake County's Natural Gas Manager, from Kevin Crush, Corporate Services Manager, Federation of Alberta Gas Co-ops Ltd. dated January 21, 2020, in regard to the CBC article titled: "Goodbye, gas furnaces? Why

electrification is the future of home heating” posted on January 20, 2020, and the Canadian Gas Association’s response asserting the said article is irresponsibly incomplete, be filed for Information.

Carried.

Next Meeting
562-20: Gawalko

That the next Smoky Lake County Natural Gas Meeting be scheduled for **Wednesday, April 15, 2020 at 9:00 a.m.** to be held at the County Council Chambers.

Carried.

ADJOURNMENT:

563-20: Halisky

That the Smoky Lake County Natural Gas Meeting of February 24, 2020, be adjourned, time, 10:06 a.m.

Carried.

CHAIRPERSON

S E A L

CHIEF ADMINISTRATIVE OFFICER

ACTION LIST:

February 24, 2020 Natural Gas Meeting



MOTION NO.	RESOLUTION	DEPARTMENT	ACTION	STRATEGIC PLAN GOAL
553-20	That Smoky Lake County Council approve the purchase from Hetek Solutions Inc. in the amount of \$7,950.48 as per their quote # ORD0037924, dated February 3, 2020 for the unit required by the Federation O&M manual to measure the intensity of the odorant injected into the natural gas at the County's RMO stations known as a Heath Odorator as a replacement for the current unit which is approximately 30-35 years old, and approve to fund the said purchase from the Natural Gas Reserve Budget.	Natural Gas Manager	The Heath Odorator was purchased as per motion #553-20, on February 24, 2020. Municipal File: 9-0	
554-20	That Smoky Lake County Council and relevant Staff who can attend - attend the Federation of Alberta Gas Co-ops Ltd, Zone Meeting scheduled for March 31, 2020 at 10:00 a.m. in Thorhild.	Natural Gas Manager	The following Council members and Staff attend: Craig Lukinuk, Reeve Johnny Chemiwchan, Councillor Lorne Halisky, Councillor Daniel Moric, Nat. Gas. Manager\ *MEETING CANCELLED	
558-20	That Smoky Lake County acknowledge receipt and review of the Smoky Lake County Natural Gas Utility Quality Management Plan (QMP) as prepared by the Rural Utilities Section of Alberta Agriculture and Forestry, included with the letter received from Maureen Magee, Rural Utilities Section, Alberta Agriculture and Forestry, dated January 6, 2020; and, approve the County Reeve, Chief Administrative Officer and Gas Utilities Manager to affix their signatures to the said QMP; and, forward an original signed copy of the said QMP to the Rural Utilities Section of Alberta Agriculture and Forestry's office.	Natural Gas Manager	The Smoky Lake County Natural Gas Utility Quality Management Plan (QMP) as prepared by the Rural Utilities Section of Alberta Agriculture and Forestry is expected to be executed on April 14, 2020.	

Chief Administrative Officer

3.2

REQUEST FOR DECISION	DATE	April 15, 2020	4.1
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TOPIC	Corridor Communications Inc. Board of Directors Nomination
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PROPOSAL	<p>BACKGROUND:</p> <p>Corridor Communications Inc. (CCI) is a corporation made up of Gas Co-ops and municipalities, and Smoky Lake County's membership was formally established on July 21, 2009 by Ministerial Order No. L:156/09 approving Smoky Lake County as a shareholder.</p> <p>Smoky Lake County, as a shareholder must treat all information relating to the Corporation received from the Corporation, the Board, any Director or any Shareholder, as confidential.</p> <p>February 18, 2016 – County Council Meeting – Motion #376-16: That Policy Statement No. 61-08-02: Corridor Communications Incorporated: Terms of reference be amended:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Title: Corridor Communications Incorporated: CCI Terms of Reference</td> <td style="width: 40%;">Policy No.: 08-02</td> </tr> <tr> <td>Section: 61</td> <td>Code: P-I</td> </tr> <tr> <td colspan="2" style="text-align: right;">Page No.: 1 of 2</td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 30%;">Legislation Reference:</td> <td>Alberta Provincial Statutes</td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 15%;">Purpose:</td> <td>Corridor Communications Incorporated is listed under the Planning, Development & Sub-Division Control Services.</td> </tr> <tr> <td></td> <td>Corridor Communications Incorporated is a corporation made up of Gas Co-ops and municipalities, and Smoky Lake County's membership was formally established by Ministerial Consent issued July 21, 2009 - Ministerial Order No. L:156/09 approving Smoky Lake County to invest as a shareholder.</td> </tr> <tr> <td></td> <td>Appointment held annually at County Organizational Meeting.</td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <th style="text-align: left;">Policy Statement and Guidelines:</th> </tr> <tr> <td> <p>1. MEMBERSHIP:</p> <p style="padding-left: 20px;">County Shareholder Representative to Corridor Communications Incorporated (CCI):</p> <p style="padding-left: 40px;">1.1 One member of Council.</p> <p style="padding-left: 40px;">1.2 One member as alternate.</p> <p>2. DEFINITION:</p> <p style="padding-left: 20px;">2.1 Corridor Communications Incorporated. (CCI): is a locally focused, publicly controlled, private corporation, which is owned and controlled by rural utility associations (consisting of Natural Gas Co-operatives and Rural Electrification Association) and Alberta Municipalities to provide wireless broadband internet access and related services to rural locations in Alberta.</p> <p style="padding-left: 20px;">2.2 Corridor Communications Inc. is a corporation established under the laws of the Province of Alberta –Business Corporation Act.</p> <p>3. MANDATE:</p> <p style="padding-left: 20px;">3.1 To facilitate broadband access to the Internet for the County through participation in Corridor Communications Incorporated (CCI).</p> <p style="padding-left: 20px;">3.2 County Shareholder Representative is the Spokesperson at the Shareholders meetings, Annual General Meetings, and other Corridor Communications Incorporated (CCI) events, as required.</p> </td> </tr> </table>	Title: Corridor Communications Incorporated: CCI Terms of Reference	Policy No.: 08-02	Section: 61	Code: P-I	Page No.: 1 of 2		Legislation Reference:	Alberta Provincial Statutes	Purpose:	Corridor Communications Incorporated is listed under the Planning, Development & Sub-Division Control Services.		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Section: 61	Code: P-I	Page No.: 2 of 2

Policy Statement and Guidelines:	
4. GUIDELINES:	
4.1	As required by the Unanimous Shareholders Agreement , each Shareholder must acknowledge and agree that all information, financial or otherwise, held by the Corporation with respect to the Corporation's customers including customer records, customer lists, addresses and policy information, is privileged and confidential and shall not be used or released by any shareholder for any purposes other than the bona fide purposes of the Corporation.
4.1.1	<u>Responsibility:</u> Smoky Lake County will be responsible for ensuring that any individuals (e.g. Councillors) who receive and review confidential information /documentation, are subject to the form of the Non-Disclosure Agreement in order to ensure that the co-op or municipality can continue to comply with its on-going confidentiality obligations owned by Corridor Communication Incorporated (CCI).
4.2	Smoky Lake County, in regards to information management, receiving information from a <u>third party</u> has obligations with respect to disclosure under <i>Freedom of Information and Privacy Act (FOIP)</i> – Heading 4.2 - "Disclosure Harmful to Business Interests of a Third Party: Section 16(1) – creates a mandatory exception for information which, if disclosed, would reveal certain types of third party business information supplied in confidence and could also result in one or more specified harms.
5. PROCEDURES:	
5.1	Therefore, all discussions relating to the Corridor Communication Incorporated (CCI) shall be discussed during Council Meeting(s) held in Executive Session (In-Camera).
<p>Smoky Lake County, as a shareholder must treat all information relating to the Corporation received from the Corporation, the Board, any Director or any Shareholder, as confidential.</p>	
5.2	Other than as specifically defined by the Unanimous Shareholders Agreement or this Policy, the County's interests in Corridor Communication Incorporated (CCI) shall be determined by Motions of Council.

CURRENT:

October 24, 2019 – County Council Organizational Meeting – Motion #38-19:
That Smoky Lake County Councillor Craig Lukinuk be appointed as member to CCI Wireless - Corridor Communications Inc. and Councillor Johnny Cherniwchan be appointed as alternate.

PROPOSAL:

As a CCI Shareholder, Smoky Lake County may nominate one candidate for each available position (such as a Board Director) annually as outlined in the CCI shareholders agreement and corporate bylaws.

Application packages for the Board Director positions should be submitted to the CCI Board Secretary no less than 24 days in advance of CCI's Annual General Meeting (AGM) for circulation to the shareholders no later than 21 days in advance of the AGM. Nominees will be invited to attend the AGM and asked to speak for up to 5 minutes on why they believe they are the best candidate to serve as a Board member of CCI Wireless.

If successful, a Board Director you can anticipate at least one Board day meeting every three months at the CCI office in Calgary. 100% attendance is encouraged but not mandatory. Electronic attendance of all meetings is also available.

Smoky Lake County Reeve: Craig Lukinuk, wishes to put his name forward as a nominee.

CORRELATION TO BUSINESS (STRATEGIC) PLAN	
Facilitate broadband access to the Internet for the County through participation in Corridor Communications Incorporated (CCI).	
LEGISLATIVE, BYLAW and/or POLICY IMPLICATIONS	<ul style="list-style-type: none"> - Policy Statement No. 61-08-02: Corridor Communications Incorporated: Terms of Reference - Ministerial Order No. L:156/09 (approving Smoky Lake County as a shareholder) - BUSINESS CORPORATION ACT Section 6: Incorporated Corporation - FOIP (FOIP) Section 16(1): Disclosure harmful to business interests of a third party
BENEFITS	
DISADVANTAGES	N/A
ALTERNATIVES	N/A
FINANCE/BUDGET IMPLICATIONS	
Operating Costs: _____	Capital Costs: _____
Budget Available: _____	Source of Funds: _____
Budgeted Costs: _____	Unbudgeted Costs: _____
INTERGOVERNMENTAL INVOLVEMENT/IMPLICATIONS	N/A
COMMUNICATION STRATEGY	N/A
RECOMMENDATION	
<p>That Smoky Lake County support Mr. Craig Lukinuk and forward an application, as a shareholder of Corridor Communications Inc. to nominate Mr. Craig Lukinuk for the position of Director to the Board of Corridor Communications Inc., and approve to execute the following agreements upon successful appointment:</p> <ul style="list-style-type: none"> ✓ Schedule "A"-Proxy Form ✓ Schedule "B"-Authorized Representative Form ✓ Schedule "C"-Nomination Form ✓ Schedule "E" Consent to Act as Director 	
CHIEF ADMINISTRATIVE OFFICER	




REQUEST FOR DECISION		DATE	April 15, 2020	4.2
TOPIC	90 Day Utility Payment Deferral			
PROPOSAL	To defer penalties on utility accounts for the period of March 18 to June 18, 2020 as announced by Premier Jason Kenney on March 18. The proposal is to cancel all penalties on all utility accounts for this period. The government is wanting customers to call us if they have been affected by the COVID-19 virus and request to have their penalties deferred. With 1617 customers total, this would take a large amount of administrations time to answer phone calls regarding this. To save time and labor, I propose to get a motion from Council to have all penalties cancelled during this period.			
CORRELATION TO BUSINESS (STRATEGIC) PLAN				
N/A				
LEGISLATIVE, BYLAW and/or POLICY IMPLICATIONS		Mandatory compliance by all Utilities as set forth by the Alberta Provincial Government.		
BENEFITS	-Save labor for administration. -Public would be appreciative of the County Council and staff going above and beyond during this time of financial stress for customers.			
DISADVANTAGES				
ALTERNATIVES	-cancel Utility penalties only for customers that call in and state they are affected by the COVID-19 virus.			
FINANCE/BUDGET IMPLICATIONS				
-monthly penalties applied is approximately \$900.00 per month during the colder months, so the penalties will be less during the warmer months with lower consumption.				
INTERGOVERNMENTAL INVOLVEMENT/IMPLICATIONS		N/A		
COMMUNICATION STRATEGY		Will be notifying the Public of the decision by Council in the next gas bill stuffer as well as on our social media.		
RECOMMENDATION				
For Council to make a Motion to cancel all Utility penalties from March 18, 2020 to June 18, 2020.				
CHIEF ADMINISTRATIVE OFFICER				




Natural Gas

Report Created On: Apr 07, 2020

Report Legend

 No Update

 Overdue

 **Priority**



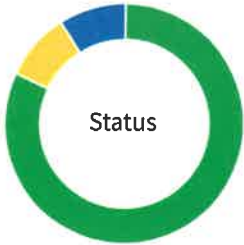
Plan Summary

Objective 5.1



Progress: 11%

Owner: Daniel Moric



	%	#
On Track	81.82	9
Some Disruption	9.09	1
Completed	9.09	1

Action: 11

Natural Gas Manager Work Plan

Objective 5.1 

Natural Gas Manager Work Plan

 **By:** Daniel Moric

	%	#
On Track	81.82	9
Some Disruption	9.09	1
Completed	9.09	1

Action: 11

Update provided by Daniel Moric on Apr 07, 2020 19:29:21

Action 5.1.1: Natural Gas Department: Natural Gas Manager Work Plan Daily/Weekly/Monthly Plan detail kept in the Additional details section.

- See Natural Gas Managers Work Plan for details.

Action 5.1.2: Natural Gas Line Locates: Service Calls: Meter Recalls: Meter Installs: PFM Checks: Construction: Rural: ____ Urban: ____

- See the "Measures" for more information.

Action 5.1.3: Odorant

February 1/20 - February 29/20

-37 hrs x 2 men = 74 man hours spent on the odorant truck.

-Deliveries made to Sedgewick/Killam Gas Natural Gas, County of Thorhild Gas Utility, Chain Lakes Gas Co-op, GLDC Gas Co-op, Rocky Gas Co-op, and Athabasca Oil Corp in Conklin.

March 1/20 - March 31/20

-36.5 hrs x 2 men = 73 man hours spent on the odorant truck.

-Deliveries made to Smoky Lake County Gas Utility, Paintearth Gas Co-op, Phoenix Gas Co-op, County of Vermillion River Gas Utility, Lac La Biche District Gas Co-op, and Goodfish Lake Gas Utility.

Action 5.1.4: CNG Trailer

February 1/19 - February 29/19

-Deliver and operate both CNG trailers for Lamco Gas Co-op for gas outage to repair a high pressure aluminum line leak.

-Deliver and operate one CNG trailer for Coronado Gas Co-op for gas outage during line replacement.

March 1/20 - March 31/20

-No activity

Action 5.1.5: Administrative

- Attend weekly toolbox and manager meetings.
- Receive customer phone calls.
- Respond to emails.
- Assist in producing monthly gas bills.
- Continue to record gas consumption readings in order to analysis and monitor gas balancing.
- March 2020 gas price was \$3.72 / GJ. April 2020 gas price has increased to \$4.22 / GJ.
- Apply for new gas services and complete all of the required paperwork.
- Continue to get easements and contracts signed as necessary.
- Working on invoicing construction, odorant and CNG jobs.
- Monthly odorant intensity checks (20 locations)
- RMO routine station checks continue.

- Monthly explosives magazine inventory check.
- Working on gas line road crossing sign repairs and replacements. Currently have replaced or repaired 79 locations.
- Continually signing customers up for receiving their gas bills by email. Currently have 170 accounts registered.
- Posted in the gas bills for customers to give us updated account information with very good response. Also included this request in the Grapevine. Will continue to advertise for updated information.
- Practicing social distancing as much as possible during these uncertain times. Staff have been given additional PPE to help prevent contracting and transferring COVID-19
- See the "Measures" for more information

Action 5.1.6: Training

The Federation of Alberta Gas Co-ops have postponed all training during this time. We were scheduled for re-certification of our PE fusion tickets at the end of March and one staff member was registered for the Gas Utility Operator program. The Federation will honor recently expired tickets during this time until they can hold training courses again.

Action 5.1.7: Natural Gas Construction of Infrastructure

February 1/20 - February 29/20

-No activity

March 1/20 - March 31/20

-No activity

-Do have 3 new infills, 5 secondary gas lines, 2 grain dryer lines, and 4 cut and caps scheduled for 2020.

Action 5.1.8: Meter recalls and maintenance

February 1/20 - February 29/20

No activity

March 1/20 - March 31/20

-Replaced 2 gas meters due to AMR reader units failing. Possibly related to the cold snap, as many utilities in the province had the same issue.

Action 5.1.9: Council Member Inquiry

No activity

Action 5.1.11: Tap 5 upgrade (odorant) Note: Strategic Priorities Chart Feb 6, 2017 (25% completed)

New RMO has been built and is awaiting installation for Spring 2020. Currently in discussion with County of Vermillion River staff about installation timeline with the COVID-19 outbreak.

Action 5.1.1 Ongoing - Ongoing On track

Natural Gas Department: Natural Gas Manager Work Plan

Daily/Weekly/Monthly Plan detail kept in the Additional details section.

Owner: Daniel Moric

Report provided by Daniel Moric on Apr 07, 2020 15:29:26

- See Natural Gas Managers Work Plan for details.

Natural Gas

Line Locates:

Service Calls:

Meter Recalls:

Meter Installs:

PFM Checks:

Construction: Rural: Urban:

Owner: Daniel Moric

Update provided by Daniel Moric on Apr 07, 2020 15:29:32

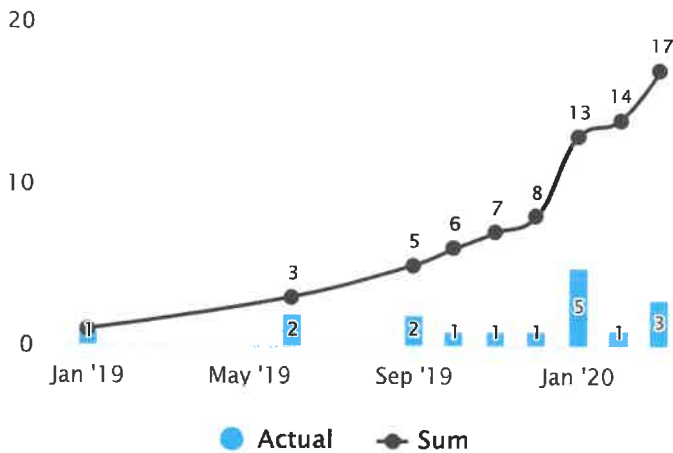
- See the "Measures" for more information.

Action 5.1.2 > Measures

Custom work

Sales of materials and labour for miscellaneous natural gas work.

Owner: Daniel Moric Last Update: Apr 07, 2020 19:25:25



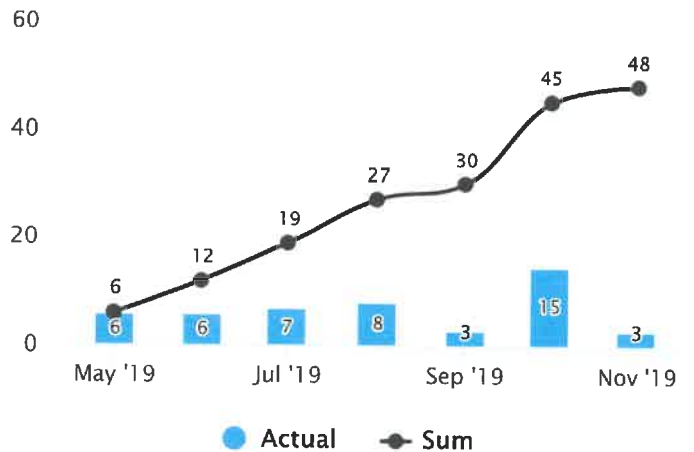
Comment

February 1/20 - February 29/20
 -Assisted Lamco Gas in repairing a high pressure aluminum gas line leak.
 March 1/20 - March 31/20
 -3 Material sales.

Construction

New Infills, secondaries, alterations, cut and caps, damaged line repairs and underground leak repairs

Owner: Daniel Moric Last Update: Apr 07, 2020 19:27:15

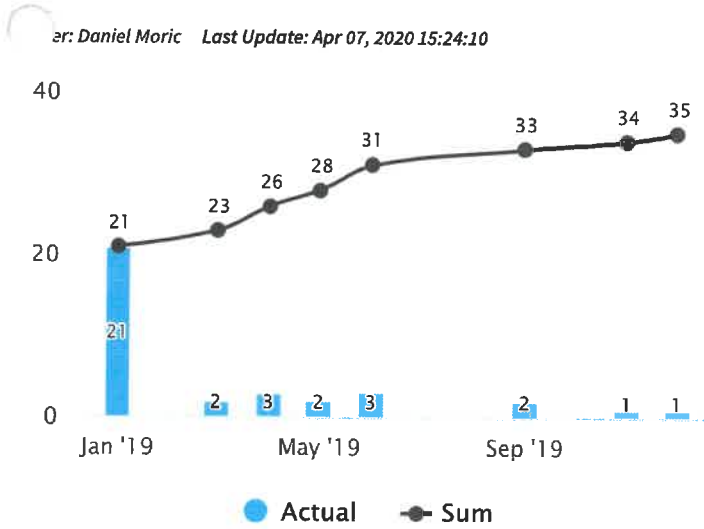


Comment

February 1/20 - February 29/20
 -No activity
 March 1/20 - March 31/20
 -No activity
 -Do have 3 new infills, 5 secondary gas lines, 2 grain dryer lines, and 4 cut and caps scheduled for 2020.

PFM checks

Pressure Factor Metering verification and adjustments completed as required.



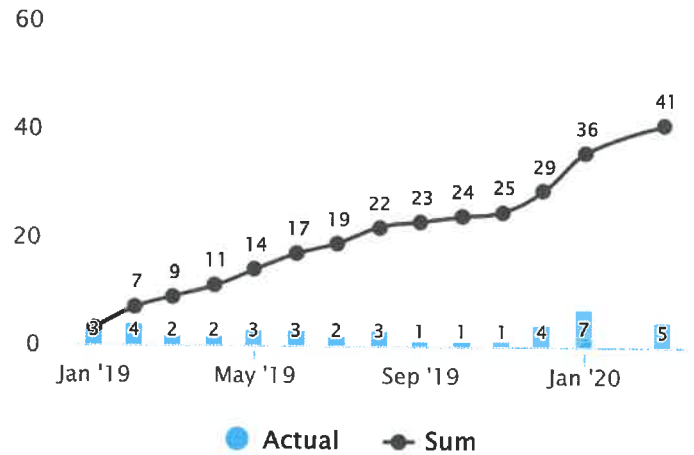
Comment

February 1/20 - February 29/20
-No activity
March 1/20 - March 31/20
-No activity

Service Calls

Number of Service Calls

Owner: Daniel Moric Last Update: Apr 07, 2020 19:12:07



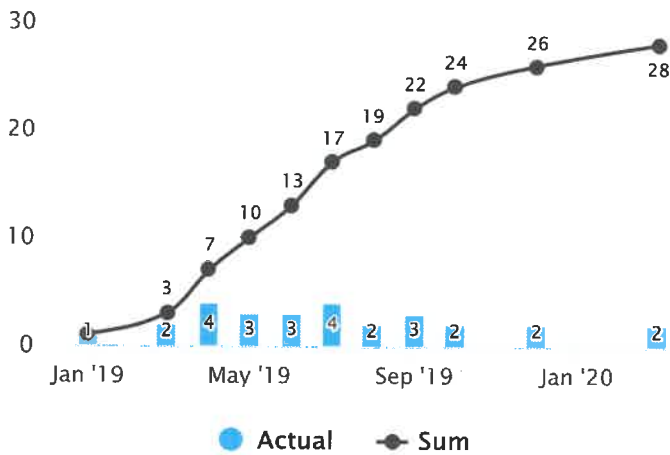
Comment

February 1/20 - February 29/20
-No service calls
March 1/20 - March 31/20
-1 Structure fire - after hours (Vilna)
-1 Carbon monoxide and gas smell service call. Found gas and CO coming from customer's new gas range. (Smoky Lake)
-2 Carbon monoxide calls resulting from dead batteries in CO detector. 1 After hours, 1 regular hours. (Stry and Vilna)
-1 Gas smell call. Piping to heater in shop leaking. After hours. (Smoky Lake)

Gas Meters Recalls

Number of gas meters changed

Owner: Daniel Moric Last Update: Apr 07, 2020 15:23:05



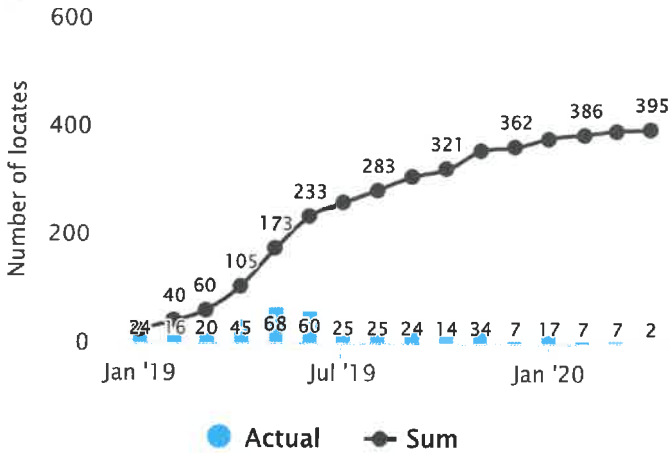
Comment

February 1/20 - February 29/20
-No activity
March 1/20 - March 31/20
Replaced 2 gas meters due to AMR reader units failing. Possibly related to the cold snap, as many utilities in the province had the same issue.

Line Locates

Volume of Alberta One Call line locates

Owner: Daniel Moric Last Update: Apr 07, 2020 16:14:31



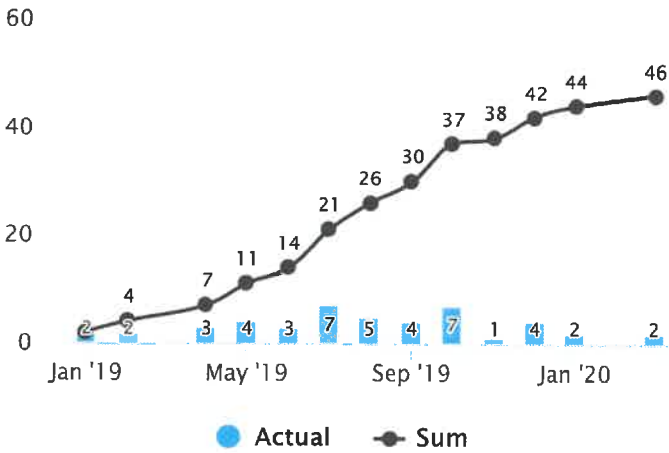
Comment

February 1/20 - February 29/20
 -7 Locates were completed
 March 1/20 - March 31/20
 -7 Locates were completed

Final Readings

Final gas consumption readings

Owner: Daniel Moric Last Update: Apr 07, 2020 19:20:32



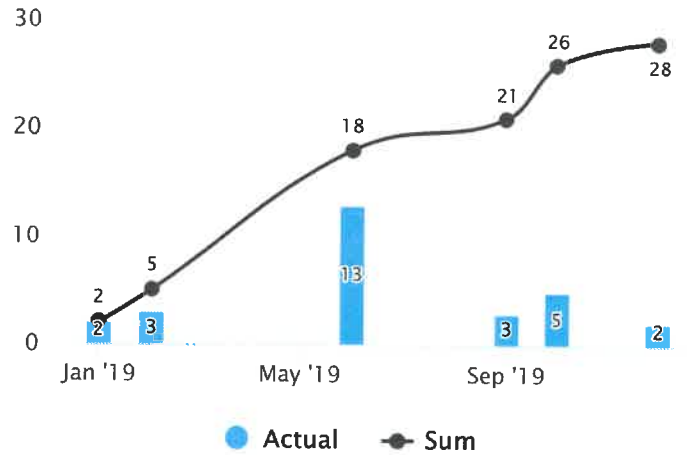
Comment

February 1/20 - February 28/20
 -No Final readings
 March 1/20 - March 31/20
 -2 Final Readings (Vilna and Waskatenau)

Service Lock-offs and Re-connections

Gas service lock-offs and re-connections

Owner: Daniel Moric Last Update: Apr 07, 2020 19:21:29



Comment

February 1/20 - February 29/20
 -No activity
 March 1/20 - March 31/20
 -No activity

Odorant

Owner: Daniel Moric

Update provided by Daniel Moric on Apr 07, 2020 19:28:35

February 1/20 - February 29/20

-37 hrs x 2 men = 74 man hours spent on the odorant truck.

-Deliveries made to Sedgewick/Killam Gas Natural Gas, County of Thorhild Gas Utility, Chain Lakes Gas Co-op, GLDC Gas Co-op, Rocky Gas Co-op, and Athabasca Oil Corp in Conklin.

March 1/20 - March 31/20

-36.5 hrs x 2 men = 73 man hours spent on the odorant truck.

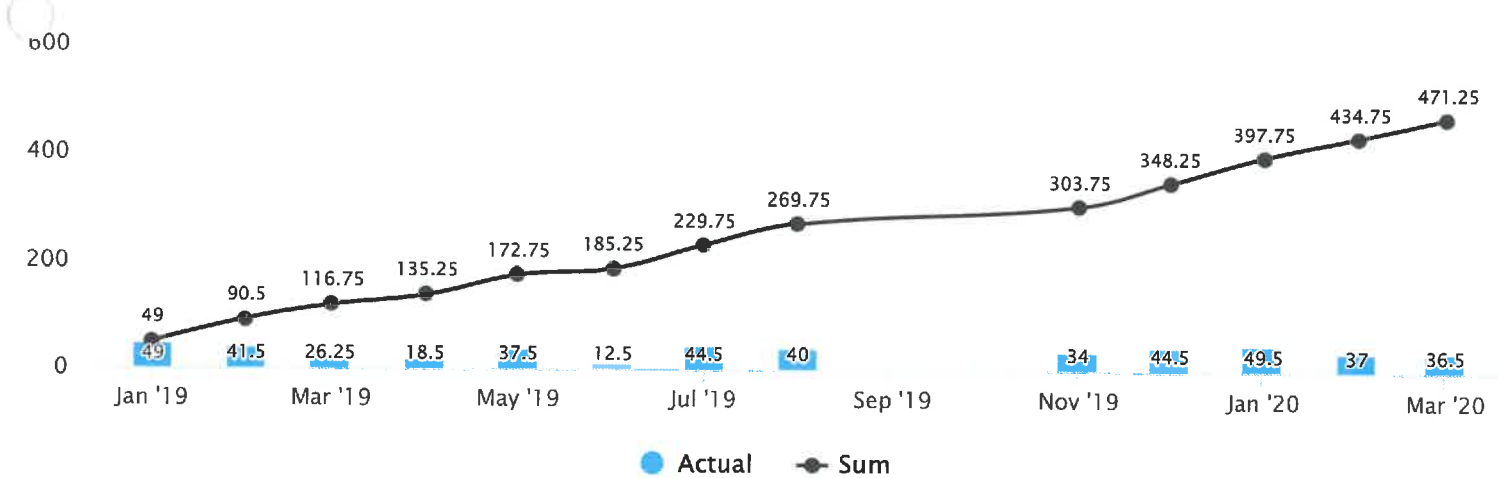
-Deliveries made to Smoky Lake County Gas Utility, Paintearth Gas Co-op, Phoenix Gas Co-op, County of Vermillion River Gas Utility, Lac La Biche District Gas Co-op, and Goodfish Lake Gas Utility.

Action 5.1.3 > Measures

Odorant Deliveries

Hours spent delivering odorant

Owner: Daniel Moric Last Update: Apr 07, 2020 19:02:47



Comment

February 1/20 - February 29/20

-37 hrs x 2 men = 74 man hours spent on the odorant truck.

-Deliveries made to Sedgewick/Killam Gas Natural Gas, County of Thorhild Gas Utility, Chain Lakes Gas Co-op, GLDC Gas Co-op, Rocky Gas Co-op, and Athabasca Oil Corp in Conklin.

March 1/20 - March 31/20

-36.5 hrs x 2 men = 73 man hours spent on the odorant truck.

-Deliveries made to Smoky Lake County Gas Utility, Paintearth Gas Co-op, Phoenix Gas Co-op, County of Vermillion River Gas Utility, Lac La Biche District Gas Co-op, and Goodfish Lake Gas Utility.

Action 5.1.4 Ongoing - Ongoing On Track

CNG Trailer

Owner: Daniel Moric

Date provided by Daniel Moric on Apr 07, 2020 19:28:30

February 1/19 - February 29/19

-Deliver and operate both CNG trailers for Lamco Gas Co-op for gas outage to repair a high pressure aluminum line leak.

-Deliver and operate one CNG trailer for Coronado Gas Co-op for gas outage during line replacement.

March 1/20 - March 31/20

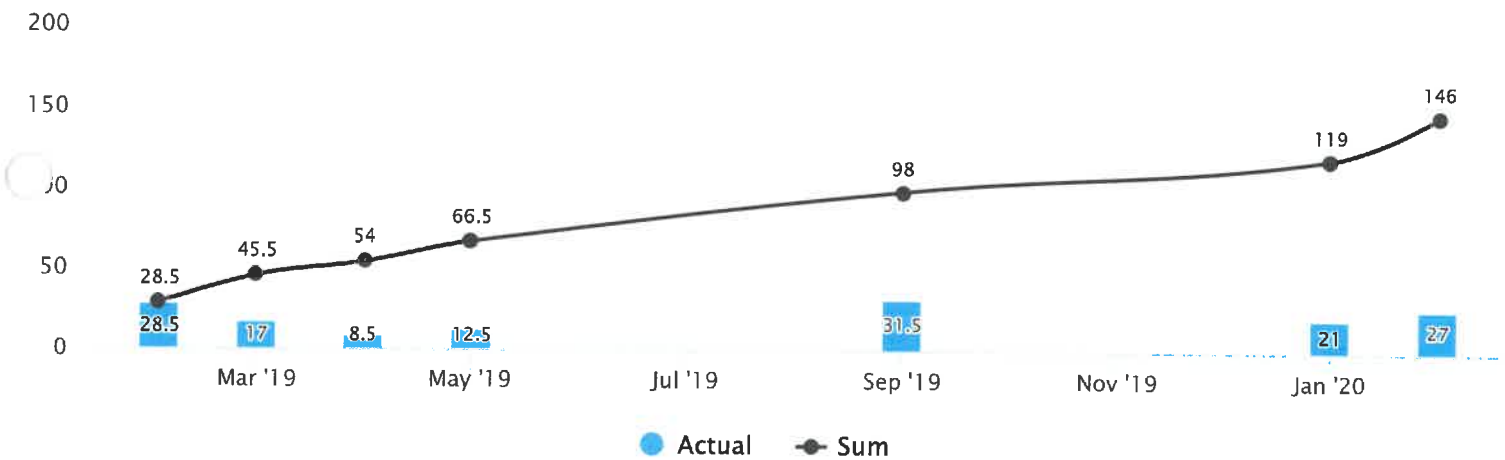
-No activity

Action 5.1.4 > Measures

CNG Trailer

Hours spent on CNG Trailer

Owner: Daniel Moric Last Update: Apr 07, 2020 15:16:30



Comment

February 1/19 - February 29/19

-Deliver and operate both CNG trailers for Lamco Gas Co-op for gas outage to repair a high pressure aluminum line leak.

-Deliver and operate one CNG trailer for Coronado Gas Co-op for gas outage during line replacement.

March 1/20 - March 31/20

-No activity

Action 5.1.5 Ongoing - Ongoing On Track

Administrative

Owner: Daniel Moric

- Attend weekly toolbox and manager meetings.
- Receive customer phone calls.
- Respond to emails.
- Assist in producing monthly gas bills.
- Continue to record gas consumption readings in order to analysis and monitor gas balancing.
- March 2020 gas price was \$3.72 / GJ. April 2020 gas price has increased to \$4.22 / GJ.
- Apply for new gas services and complete all of the required paperwork.
- Continue to get easements and contracts signed as necessary.
- Working on invoicing construction, odorant and CNG jobs.
- Monthly odorant intensity checks (20 locations)
- RMO routine station checks continue.
- Monthly explosives magazine inventory check.
- Working on gas line road crossing sign repairs and replacements. Currently have replaced or repaired 79 locations.
- Continually signing customers up for receiving their gas bills by email. Currently have 170 accounts registered.
- Posted in the gas bills for customers to give us updated account information with very good response. Also included this request in the Grapevine. Will continue to advertise for updated information.
- Practicing social distancing as much as possible during these uncertain times. Staff have been given additional PPE to help prevent contracting and transferring COVID-19
- See the "Measures" for more information

Action 5.1.6 Ongoing - Ongoing On Track

Training

Owner: Daniel Moric

Update provided by Daniel Moric on Apr 07, 2020 15:32:59

The Federation of Alberta Gas Co-ops have postponed all training during this time. We were scheduled for re-certification of our PE fusion tickets at the end of March and one staff member was registered for the Gas Utility Operator program. The Federation will honor recently expired tickets during this time until they can hold training courses again.

Action 5.1.7 Ongoing - Ongoing On Track

Natural Gas Construction of Infrastructure

Owner: Daniel Moric

Update provided by Daniel Moric on Apr 07, 2020 19:28:49

February 1/20 - February 29/20

-No activity

March 1/20 - March 31/20

-No activity

-Do have 3 new infills, 5 secondary gas lines, 2 grain dryer lines, and 4 cut and caps scheduled for 2020.

Action 5.1.8 Ongoing - Ongoing On Track

Meter recalls and maintenance

Owner: Daniel Moric

Update provided by Daniel Moric on Apr 07, 2020 19:28:54

February 1/20 - February 29/20

-No activity

March 1/20 - March 31/20

-Replaced 2 gas meters due to AMR reader units failing. Possibly related to the cold snap, as many utilities in the province had the same issue.

Action 5.1.9 Ongoing - Ongoing On Track

Council Member Inquiry

Owner: Daniel Moric

Update provided by Daniel Moric on Apr 07, 2020 15:35:20

No activity

Action 5.1.10 Jan 01, 2017 - Dec 31, 2018 Completed Progress 100%

AMR meter expiration replacement

Note: Strategic Priorities Chart Feb 6, 2017

Owner: Daniel Moric

Update provided by Daniel Moric on Aug 20, 2019 19:54:06

AMR installations complete.

Action 5.1.11



Jan 01, 2017 - Sep 01, 2018

Some Disruption

Progress 25%

Tap 5 upgrade (odorant)

Note: Strategic Priorities Chart Feb 6, 2017

: Daniel Moric

Update provided by Daniel Moric on Apr 07, 2020 15:35:13

New RMO has been built and is awaiting installation for Spring 2020. Currently in discussion with County of Vermillion River staff about installation timeline with the COVID-19 outbreak.



February 26, 2020

Attention: Manager/CAO

Re: GAS COST RATE EFFECTIVE MARCH 2020

Gas Alberta's gas cost rate will decrease by \$0.60/GJ to **\$1.60/GJ** for the month of March 2020. Our variable rate will remain at \$0.22/GJ for the period July 1, 2019 through June 30, 2020.

The rates set by the regulated retailers for the month of March 2020 are shown below. As previously discussed, the rates set by regulated retailers are impacted by their prior period over and under recoveries.

	Direct Energy	AltaGas Utilities	Weighted Avg. (Est)	Gas Alberta
GCFR	\$1.660/GJ	\$1.486/GJ	\$1.643/GJ	\$1.60/GJ
Over (Under) riders included in Gas Costs	\$0.09/GJ	\$0.24/GJ		

We will continue to manage our recoveries and gas costs on a monthly basis and keep you informed of changes to market prices and gas rates. If you have any questions regarding Gas Alberta's rates, please contact me at (403) 509-2603.

Yours truly,

Carlee Nowakowski
Vice President, Gas Supply

Natural Gas Rates March 2020

	Gas Ab. Rate	Variable	O & M charge	Total	
Domestic rate	\$ 1.60	\$ 0.22	\$ 1.90	\$ 3.72	

Sungro

0-35000 gjs	\$ 1.60	\$ 0.22	\$ 0.80	\$ 2.62	X
35-85000 gjs	\$ 1.60	\$ 0.22	\$ 0.60	\$ 2.42	
over 85	\$ 1.60	\$ 0.22	\$ 0.40	\$ 2.22	

Smoky Lake Forest Nursery

0-35000 gjs	\$ 1.60	\$ 0.22	\$ 0.80	\$ 2.62	X
35-85000 gjs	\$ 1.60	\$ 0.22	\$ 0.60	\$ 2.42	
over 85	\$ 1.60	\$ 0.22	\$ 0.40	\$ 2.22	

Tremel	\$ 1.60	\$ 0.22	\$ 0.78	\$ 2.60	
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Domestic rise service charge \$ 25.00 / riser

Fixed charge	\$ 1.90
Systems capital	\$ 0.40

Commercial riser service charge \$ 60.00 / riser

Town of Smoky Lake	\$ 1.60	\$ 0.22	\$ 0.12	\$ 1.94	
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March 26, 2020

Attention: Manager/CAO

Re: GAS COST RATE EFFECTIVE APRIL 2020

Gas Alberta's gas cost rate will increase by \$0.50/GJ to **\$2.10/GJ** for the month of April 2020. Our variable rate will remain at \$0.22/GJ for the period July 1, 2019 through June 30, 2020.

The rates set by the regulated retailers for the month of April 2020 are shown below. As previously discussed, the rates set by regulated retailers are impacted by their prior period over and under recoveries.

	Direct Energy	AltaGas Utilities	Weighted Avg. (Est)	Gas Alberta
GCFR	\$2.140/GJ	\$2.432/GJ	\$2.169/GJ	\$2.10/GJ
Over (Under) riders included in Gas Costs	\$(0.39)/GJ	\$(0.70)/GJ		

Gas Alberta continues to operate effectively during the COVID-19 pandemic through the activation of our Business Continuity Plan (BCP). The Management team actively reviews the BCP through regular communication with staff to ensure customer service remains consistent and uninterrupted. The Gas Supply & Operation teams are accustomed to supporting your gas supply requirements 365 days/year and we are well-positioned to sustain business as usual during this pandemic. We continue to maintain close communication with our natural gas suppliers, transmission pipeline companies and emergency supply partners to ensure your supply of natural gas remains reliable.

In accordance with our BCP, we will maintain consistent business practices by continuing to manage our recoveries and gas costs on a monthly basis and keep you informed of changes to market prices and gas rates. If you have any questions regarding Gas Alberta's rates, please contact me at (403) 509-2603.

Yours truly,

Carlee Nowakowski
Vice President, Gas Supply

Natural Gas Rates April 2020

	Gas Ab. Rate	Variable	O & M charge	Total	
Domestic rate	\$ 2.10	\$ 0.22	\$ 1.90	\$ 4.22	

Sungro

0-35000 gjs	\$ 2.10	\$ 0.22	\$ 0.80	\$ 3.12	X
35-85000 gjs	\$ 2.10	\$ 0.22	\$ 0.60	\$ 2.92	
over 85	\$ 2.10	\$ 0.22	\$ 0.40	\$ 2.72	

Smoky Lake Forest Nursery

0-35000 gjs	\$ 2.10	\$ 0.22	\$ 0.80	\$ 3.12	X
35-85000 gjs	\$ 2.10	\$ 0.22	\$ 0.60	\$ 2.92	
over 85	\$ 2.10	\$ 0.22	\$ 0.40	\$ 2.72	

Tremel	\$ 2.10	\$ 0.22	\$ 0.78	\$ 3.10	
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Domestic riser service charge \$ 25.00 / riser

Fixed charge	\$ 1.90
Systems capital	\$ 0.40

Commercial riser service charge \$ 60.00 / riser

Town of Smoky Lake	\$ 2.10	\$ 0.22	\$ 0.12	\$ 2.44	
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Daniel Moric

From: officeadmin <officeadmin@gasalberta.com>
Sent: February-14-20 2:26 PM
To: officeadmin
Subject: Gas Alberta Inc. - December 2019 - Interim Report
Attachments: Dec 19 - Interim Report.pdf

Attached for your information is Gas Alberta Inc.'s interim report for the period ended December 31, 2019. Please note that this information should be considered privileged and confidential.

Regards,

Allison Moller, CPA, CMA | Controller | Gas Alberta Inc.

Suite 350, 2618 Hopewell Place NE, Calgary, Alberta T1Y 7J7
T (403) 509-2610 | F (403) 509-2611

E | amoller@gasalberta.com W | www.gasalberta.com

Tracy Fong | Office Administrator | Gas Alberta Inc.

Gas Alberta Inc.'s mission is to provide a reliable and competitive supply of energy and related value-added services that contribute to the success and sustainability of our customers through strategic and effective partnerships.

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 Please consider the environment before printing this e-mail



*Providing a reliable and
competitive supply of
energy to our shareholders*

INTERIM REPORT FISCAL YEAR 2020 QUARTER 2

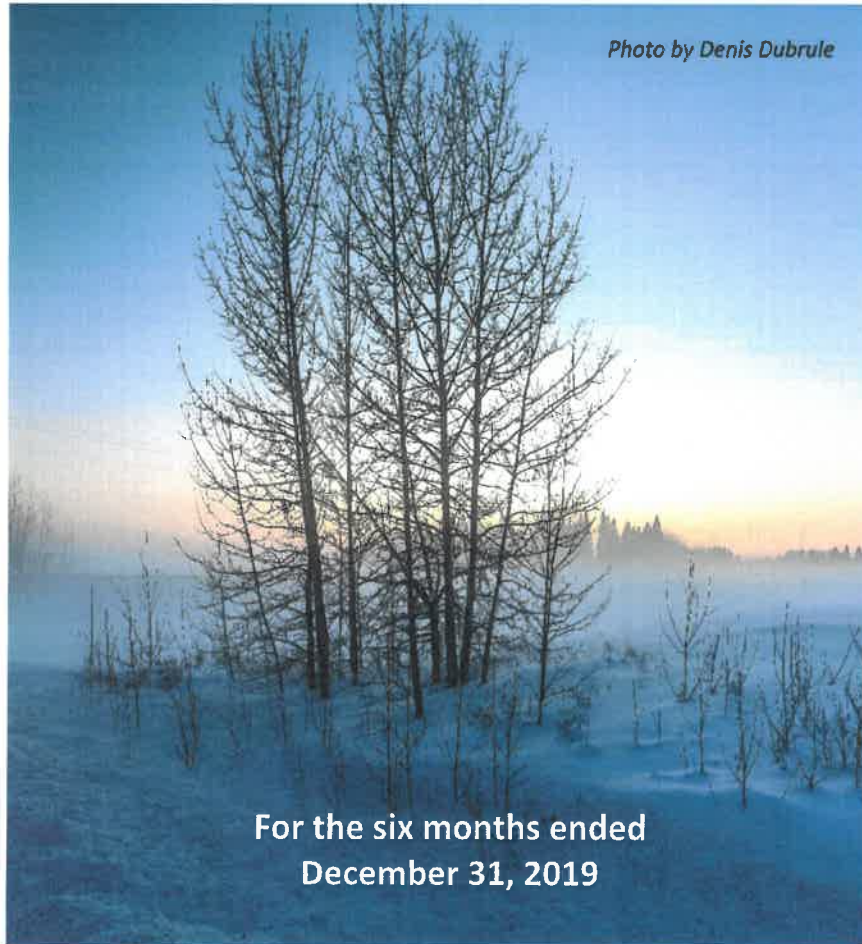


Photo by Denis Dubrule

**For the six months ended
December 31, 2019**

MESSAGE FROM THE PRESIDENT & CEO:

Allow me to introduce myself; my name is Paul Dunsmore. I have a lovely wife named Valerie and we have three amazing children. I graduated from the University of Alberta's School of Business in 2001 and I am a Chartered Financial Analyst Charterholder. Nine years of my career were spent at a major producer, BP, where I was the head of the Canadian Financial Products Origination business. I also spent nine years at two financial institutions, the most recent being BMO where I was the co-head of the Commodity Sales business. My entire career has been spent in Calgary; I have always been proud to work in the Canadian energy industry.

The relationship I have with Gas Alberta Inc. goes back 17 years, when I supplied physical natural gas and financial hedging products to Randy O'Hara early in my career. Randy and I would spend countless hours discussing natural gas fundamentals and portfolio strategies. I now find myself sitting in the CEO seat replacing Dave Symon who has elected to retire at the end of our fiscal year (June 30th, 2020). Dave has assumed the role of Corporate Advisor and will assist me in the transition process.

I have known and respected Dave for a long time, but this past month has shown me that I have giant shoes to fill. As you all know, his knowledge and experience are impressive. I'm very lucky to be joining an outstanding team of individuals at Gas Alberta, people who understand the business inside and out. I must also highlight the Board of Directors, chaired by Len Spratt, who are all dedicated, engaged and committed to my successful transition. Dave, Randy and the Board have given me a strong foundation and I plan to keep it that way.

I look forward to meeting all of you and hearing your stories and visions for the future. Gas Alberta will continue to be a leader in promoting positive change and strategic growth for our company and our customers. Our Mission Statement is, *"To contribute to the success and sustainability of our customers by providing reliable and competitive energy supplies, and related value-added services through strategic and effective partnerships."* I am ready to get started.

**Paul Dunsmore
President & CEO
February 13, 2020**

OPERATIONS & FINANCIAL RESULTS

The following analysis and comments should be read in conjunction with the 2019 Annual Report of Gas Alberta Inc. (the Company), which contains Management's Discussions and Analysis and the Company's audited consolidated financial statements for the year ended June 30, 2019.

INCOME STATEMENT

Natural Gas Sales, Revenues and Rates

		2019	2018	Incr (Decr)
<u>Quarter ended December 31</u>				
Natural gas revenues from customers	(Millions)	\$29.6	\$21.9	\$7.7
Natural gas sales to customers	(PJs)*	11.5	10.4	1.1
Billing rates (weighted average)**	(\$/GJ)	\$2.64	\$2.16	\$0.48
<u>YTD ended December 31</u>				
Natural gas revenues from customers	(Millions)	\$34.7	\$28.7	\$6.0
Natural gas sales to customers	(PJs)	15.0	14.3	0.7
Billing rates (weighted average)	(\$/GJ)	\$2.32	\$1.98	\$0.34

* 1 PJ = 1,000,000 GJs

** Billing rates are designed to recover natural gas costs and variable expenses.

Revenue from shareholder customers for the quarter ended December 31, 2019 was \$29.6 million, or \$7.7 million (26%) higher than the same quarter last year, and \$34.7 million, or \$6 million (17%) higher on a YTD basis. These increases reflect average billing rates that were \$0.48/GJ (18%) higher for the current quarter and \$0.34/GJ (15%) higher YTD, as compared to the same periods last year.

Unrealized gain on derivatives was \$270,682 for the six months ended December 31, 2019, due to the change in the mark-to-market (MTM) estimate of financial derivatives relating to future periods. Financial derivatives are comprised of financial options, financial swaps, financial exchanges, financial basis and currency exposure.

Net marketing income generated by Gas Alberta Inc.'s subsidiary and marketing venture (note 1) was \$237,907 for the current quarter and \$300,137 YTD. This income is used to partially offset the Company's general and administrative expenses.

Operation costs for the six months ended December 31, 2019 were \$2,248,752, or \$467,338 (21%) lower than the same period last year, mainly due to reduced emergency supply expenses, partially offset by higher delivery costs.

Corporate expenses for the six months ended December 31, 2019 were \$1,410,469, or \$72,935 (5%) higher than the same period last year, mainly due to annual cost-of-living increases and increased Director meetings due to the establishment of a temporary CEO Selection Committee.

Net Income for the six months ended December 31, 2019 was nil, or \$500,000 lower than the same period last year due to the retention of additional funds in the prior year to meet the credit requirements of a large banking institution. Net income is normally nil as the Company operates on a non-profit basis (note 2).

BALANCE SHEET

Trade and other receivables of \$27,756,242 at December 31, 2019 (\$6,865,770 at June 30, 2019) were mainly natural gas billings to shareholder customers, receivables from counter-parties for hedging activities and the Company's proportionate interest in accounts receivable of its marketing venture. This balance reflects higher seasonal sales to customers (note 4) and greater hedging activities in the month of December 2019 as compared to June 2019.

Recoverable variable costs from customers of \$147,697 at December 31, 2019 (recoverable balance of \$42,686 at June 30, 2019) was the cumulative difference between variable revenues at the annual rate of \$0.22/GJ versus the Company's operation costs and corporate expenses. The balance in this account throughout the year reflects the impacts of seasonal temperature fluctuations on customer sales and revenues as compared to the relatively constant nature of variable costs (note 4).

Derivative assets of \$1,121,437 at December 31, 2019 were the MTM estimate of financial derivatives outstanding at the balance sheet date and are included in refundable natural gas costs, as shown below. Financial hedging is intended to generate gains and manage risks related to gas price volatility (note 3).

Natural gas held in storage was \$583,791 at December 31, 2019 (\$1,007,762 at June 30, 2019) and is dependent upon opportunities in the marketplace. Gas storage includes the cost of storage injections, storage operator fees and financing fees.

Refundable natural gas costs are the amounts owing to customers due to the variance between revenues from customers and related gas costs (including MTM estimates) as indicated below.

As at	Dec 31/19	June 30/19
Refundable (recoverable) realized balance, end of period	1,495,041	347,655
Unrealized financial derivative asset (MTM value)	1,121,438	850,755
Deferral of net gain on closed financial derivatives	1,072,108	1,827,909
Net refundable natural gas costs, end of period	3,688,587	3,877,074

Realized refundable gas costs of \$1,495,041 is the difference between actual gas recoveries and costs as at December 31, 2019. This balance is adjusted by unrealized derivative assets, which is the MTM estimate for financial contracts outstanding at the balance sheet date, and gains or losses related to closed financial contracts and option premiums that are being deferred to future periods (note 3).

Pipeline Funding Program provides financial assistance to shareholder customers carrying out projects to secure alternate distribution supplies. Activities related to this Program for the current and prior fiscal years are as follows:

As at	Dec 31/19	June 30/19
Program balance, beginning of fiscal year	4,519,919	3,998,899
Pipeline projects funded during the fiscal year	(452,269)	-
Government grants related to projects funded	-	497,090
Consulting fees related to the Program	(35,574)	(55,470)
Interest income on Program balances	49,685	79,400
Program balance, end of period	4,081,761	4,519,919

CONSOLIDATED BALANCE SHEET

As at	Dec 31/19	June 30/19
Note	(Unaudited)	(Audited)
	\$	\$
ASSETS		
Current Assets		
Cash and cash equivalents	1,927,825	13,106,676
Commodity account	4,001,239	4,766,789
Trade and other receivables	27,756,242	6,865,770
Recoverable variable costs	147,697	42,686
Derivative assets	3 1,121,437	850,755
Natural gas held in storage	583,791	1,007,762
Prepaid expenses and other current assets	549,355	930,692
	36,087,586	27,571,130
Non-current Assets		
Capital assets	194,997	210,899
Other non-current assets	206,513	244,350
	401,510	455,249
Total Assets	36,489,096	28,026,379
LIABILITIES & SHAREHOLDERS' EQUITY		
Current Liabilities		
Bank loan	-	-
Accounts payable and accrued liabilities	23,071,058	14,693,923
Customer prepayments	563,483	702,981
Refundable natural gas costs	2 3,688,587	3,026,319
Pipeline Funding Program	4,081,761	4,519,920
	31,404,889	22,943,143
Subordinated Debentures	3,490,000	3,490,000
Shareholders' Equity		
Share capital	31,553	30,582
Retained earnings	1,562,654	1,562,654
	1,594,207	1,593,236
Total Liabilities & Shareholders' Equity	36,489,096	28,026,379

CONSOLIDATED STATEMENT OF INCOME
AND RETAINED EARNINGS

		Three months ended		Six months ended	
	Note	Dec 31/19	Dec 31/18	Dec 31/19	Dec 31/18
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		\$	\$	\$	\$
REVENUES					
Sales to shareholder customers	4	29,587,668	21,895,008	34,734,578	28,742,923
Unrealized gain (loss) on derivatives	3	795,936	4,871,066	270,682	(70,767)
Marketing revenue	1	13,468,862	8,556,128	17,905,538	13,185,725
Other revenue		6,500	5,071	10,820	6,948
		43,858,966	35,327,273	62,921,618	41,864,829
COSTS AND EXPENSES					
Cost of natural gas sold					
Gas sold to shareholder customers		28,581,271	24,370,032	31,633,764	24,394,052
Marketing gas costs	1	13,030,099	8,186,493	17,231,826	12,532,940
		41,611,370	32,556,525	48,865,590	36,926,992
Operation costs					
Natural gas delivery costs		475,672	423,363	872,495	786,316
Meter station operations		767,579	907,673	1,376,257	1,929,774
		1,243,251	1,331,036	2,248,752	2,716,090
Corporate expenses					
Salaries and benefits		289,787	233,099	538,419	473,225
External services		146,173	166,937	246,124	320,388
Directors' fees and expenses		128,519	104,641	232,423	189,288
Office and general expenses		228,306	219,700	393,503	354,633
		792,785	724,377	1,410,469	1,337,534
Other expenses					
Marketing expenses	1	200,856	203,265	373,575	360,251
Depreciation and amortization		10,704	12,070	23,232	23,962
		211,560	215,335	396,807	384,213
Total costs and expenses		43,858,966	34,827,273	62,921,618	41,364,829
Net Income		-	500,000	-	500,000
Retained Earnings, beginning of period		1,562,654	1,062,654	1,562,654	1,062,654
Retained Earnings, end of period		1,562,654	1,562,654	1,562,654	1,562,654

CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited)	Three months ended		Six months ended	
	Dec 31/19	Dec 31/18	Dec 31/19	Dec 31/18
	\$	\$	\$	\$
OPERATING ACTIVITIES				
Net income	-	500,000	-	500,000
Non-cash items:				
Depreciation of capital assets	10,704	12,120	23,232	23,962
Amortization of other assets	87,761	108,610	68,956	301,500
Unrealized (gain) loss on derivatives	(795,936)	(4,871,066)	(270,682)	70,767
	(697,471)	(4,250,336)	(178,494)	896,229
Net change in non-cash items related to operating activities	(892,080)	10,141,875	(11,759,549)	5,647,895
	(1,589,551)	5,891,539	(11,938,043)	6,544,124
INVESTING ACTIVITIES				
Acquisition of capital assets	(1,660)	-	(7,329)	(30,087)
Cash restricted for commodity account	(954,046)	(1,959,260)	765,550	(2,686,586)
Increase in other long-term assets	-	-	-	(9,159)
	(955,706)	(1,959,260)	758,221	(2,725,832)
FINANCING ACTIVITIES				
Decrease in bank loans	-	(2,121,427)	-	(1,616,744)
Issuance of Class A shares	-	1,989	-	1,887
Redemption of Class A shares	971	(102)	971	(102)
	971	(2,119,540)	971	(1,614,959)
Increase (decrease) in cash and cash equivalents	(2,544,286)	1,812,739	(11,178,851)	2,203,333
Cash and cash equivalents, beginning of period	4,472,111	2,299,766	13,106,676	1,909,172
Cash and cash equivalents, end of period	1,927,825	4,112,505	1,927,825	4,112,505

Notes to Interim Consolidated Financial Statements

1. These consolidated financial statements combine the financial position and operating results of Gas Alberta Inc. and its wholly-owned subsidiary, Gas Alberta Enterprises Ltd., which owns a proportionate share in a marketing venture, Gas Alberta Energy. The accounting policies followed are described in the Company's audited consolidated financial statements for the year ended June 30, 2019.
2. Gas Alberta Inc. operates on a cost-recovery basis, with any differences between revenues and costs being returned to or recovered from its shareholder customers through the Company's monthly gas rates and annual variable rate, or through refunds.
3. These consolidated financial statements include a mark-to-market (MTM) estimate for financial hedging contracts outstanding at the balance sheet date. MTM estimates may vary significantly depending upon the terms of the hedging contracts and forward market prices.
4. Gas Alberta Inc.'s natural gas sales to customers are seasonal, with approximately two-thirds of the Company's annual sales occurring in the winter heating period.

CORPORATE INFORMATION**BOARD OF DIRECTORS**

Len Spratt, Chair	Perry Ellis
Delbert Beazer	Michelle Gallagher
Allen Dietz	Jack Goodall
Denis Dubrule	Terry Holmes

CORPORATE OFFICERS

Paul Dunsmore, President & CEO
Dave Symon, Corporate Advisor
Allison Moller, Controller

BANKERS

ATB Financial
Calgary, Alberta

AUDITOR

PricewaterhouseCoopers LLP
Calgary, Alberta
Courtney Kolla, Partner

LEGAL COUNSEL

Norton Rose Fulbright Canada LLP
Calgary, Alberta

CORPORATE SECRETARY

Ryan Keays, Partner
Norton Rose Fulbright Canada LLP
Calgary, Alberta

ANNUAL MEETING

November 24, 2020 at 5:00 p.m.
Radisson Hotel Edmonton South
Edmonton, Alberta

CORPORATE OFFICE

350, 2618 Hopewell Place NE
Calgary, Alberta T1Y 7J7

Telephone: 403-509-2600

Toll free: 1-877-509-7258

Fax: 403-509-2611

Daniel Moric

From: Jason Cathcart <Jason.Cathcart@gov.ab.ca>
Sent: March-13-20 10:54 AM
Subject: Relaxation of Rural Utilities Regulation, Schedule 3, Section 3 - Annual Meetings

Good morning,

As many rural utilities are currently faced with hosting their Annual General Meeting (AGM) within the next month, I have received a number of requests regarding relaxation of the legislative requirements to continue with those meetings in light of health concerns around novel coronavirus - COVID-19.

As the Director of Rural Utilities responsible for the *Rural Utilities Act* and *Rural Utilities Regulation*, **I am waiving the 120 day requirement** until further notice.

If applicable, I request that associations plan to delay their AGM and provide our office with notification of this delay. Given that the audited financials and any other documents to be presented would have had to been prepared in advance of your intended AGM date, you may wish to consider making these documents available (in *unapproved* form) at the association office for members to review - should they inquire.

For reference:

Under the *Rural Utilities Regulation*, (Schedule 3, Standard bylaws, section 3) the requirements of the AGM are described:

- The AGM must be called within 120 days of the fiscal year end;
- The primary purpose (at a minimum) of the AGM is to:
 - o Review and approve the financials and other pertinent reports,
 - o Appoint an auditor,
 - o Elect directors.

Under *Rural Utilities Act* (section 21), rural utilities are required to submit their annual return within 120 days of their fiscal year end. For this to occur, the AGM will have had to occur so as to list the Board of Directors on the annual return.

As we are all concerned with the health of our boards, staff, and association members, I encourage you to monitor government updates at <https://www.alberta.ca/coronavirus-info-for-albertans.aspx>

Thank you,

Jason Cathcart
Director of Natural Gas Co-operatives
Director of Rural Electrification Associations
Director of Water and Sewer Co-operatives

Jason Cathcart, Ph.D., P.Ag.
Director, Rural Utilities

Alberta Agriculture and Forestry
Rural Programming, Facilities and
Emergency Services Branch
J.G. O'Donoghue Building

Suite 108, 7000-113 Street
Edmonton, AB T6H 5T6
Tel: 780-427-0944

Email: Jason.cathcart@gov.ab.ca

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Daniel Moric

From: officeadmin <officeadmin@gasalberta.com>
Sent: March-16-20 10:07 AM
To: officeadmin
Subject: Update from Gas Alberta
Attachments: Gas Alberta Inc. Staff Contact List_2020.pdf

Importance: High

Dear Customer/Shareholder,

Gas Alberta’s Board of Directors and Management have been closely monitoring the novel coronavirus (COVID-19) situation since its development and have been making preparations to safeguard our customers’ supply of natural gas. Following yesterday’s announcement by the Alberta Government to introduce sweeping measures to slow the spread of COVID-19 across the province, Gas Alberta is activating its Business Continuity Plan.

Effective today, Monday, March 16, 2020, all Gas Alberta staff will begin working remotely from home until further notice. We expect this transition to be seamless to our customers since our gas supply activity functions 365 days/year and staff are accustomed to working remotely to support our operations.

Gas Alberta remains committed to maintaining effective communication with our customers; you can continue to reach us through our emails, direct phone lines, or mobile phones (where applicable). All voicemails left on our direct lines are automatically forwarded to our email so we can follow-up as required. Attached is a current Gas Alberta Inc. staff contact list for your records.

On behalf of Gas Alberta’s Board and Management, we encourage all of our customers to review their Business Continuity Plan and take the appropriate steps to help mitigate COVID-19 exposure risk for staff, their families, and the greater community. These are unprecedented times and we all need to work together to help reduce the impact of this growing pandemic.

Feel free to reach out should you have any questions or concerns.

Regards,

Paul Dunsmore, CFA | President and CEO | Gas Alberta Inc.

Suite 350, 2618 Hopewell Place N.E., Calgary, Alberta T1Y 7J7
T (403) 509-2601 | C (403) 909-0003 | F (403) 509-2611
E | pdunsmore@gasalberta.com W | www.gasalberta.com

Gas Alberta Inc.'s mission is to provide a reliable and competitive supply of energy and related value-added services that contribute to the success and sustainability of our customers through strategic and effective partnerships.

THIS ELECTRONIC MESSAGE AND ANY ATTACHED DOCUMENTS ARE INTENDED ONLY FOR THE NAMED ADDRESSEE(S). This communication may contain information that is privileged, confidential or otherwise protected from disclosure and it must not be disclosed, copied, forwarded or distributed without authorization. If you have received this message in error, please **notify the sender immediately and delete the original message.**
Thank you.

6.4

Daniel Moric

From: Kevin Crush <kcrush@fedgas.com>
Sent: March-19-20 7:21 PM
To: Kevin Crush
Subject: Utility Payment Deferral
Attachments: Joint Announcement_Utility Payment Deferral.docx

To All Federation Members:

Please see the attached.



Kevin Crush
Corporate Services Manager
Federation of Alberta Gas Co-ops Ltd.
(780) 416-6543
www.fedgas.com



#201, 115 Portage Close, Sherwood Park, AB T8H 2R5



March 19, 2020

Dear Member/Shareholder,

As the situation with the novel coronavirus (COVID-19) continues to unfold, the Government of Alberta has announced a number of emergency economic measures aimed at easing the financial burden on individuals and businesses during these economically challenging times.

One of these measures focuses on the deferral of utility payments for residential, farm, and small business consumers for the next 90 days. Unfortunately there were very few details on the deployment of this measure which has caused confusion amongst both utilities and end-use consumers.

This morning the Federation and Gas Alberta took part in a conference call with the Alberta Utilities Commission and utility stakeholders across the province to discuss the situation. The consensus on that call was that the payment deferral announcement should be interpreted as applying only to those consumers who are experiencing financial hardship due to the evolving COVID-19 situation. In addition, consumers who elect to defer their payments should not face cut-offs or load limitation during the payment deferral period. It was also recommended that consumers facing hardship be encouraged to make partial payments since they will eventually be required to clear up their overdue accounts.

It is the joint recommendation of the Federation and Gas Alberta that our members/shareholders strongly encourage their end-use consumers to continue paying their utility invoices through the existing payment methods available to them. Once we have a better understanding of the Government's payment deferral program, we will relay these details to you so your utility can appropriately engage with consumers that may be facing economic hardship as a result of COVID-19.

Sincerely,

Paul Dunsmore, President and CEO
Gas Alberta Inc.

Tom Kee, Executive Director
Federation of Alberta Gas Co-ops

Daniel Moric

From: Kevin Crush <kcrush@fedgas.com>
Sent: March-22-20 10:43 AM
To: Kevin Crush
Subject: Utility Payment Deferral
Attachments: Utility Payment Deferral Joint Announcement.pdf; 90 day utility deferral.png; 90 day utility deferral.pdf; Letter to Stakeholders.pdf

To All Federation Members:

The Provincial Government has released additional details regarding the 90-day Utility Payment Deferral program.

Attached to this email is a joint letter from the Federation and Gas Alberta, a letter to stakeholders from the Associate Deputy Minister, Natural Gas, and a fact sheet on the 90-day deferral (in both a pdf and image format).

It is important to note that this program is in place until June 18, and that customers will still be responsible for any payments deferred. Utilities may want to work with affected customers on an alternative payment plan. The government will be working on programs to help with payments.

Disconnections will not be allowed during this period, and government has advised against bill collections even for amounts owed prior to the pandemic.

Kevin Crush
Corporate Services Manager
Federation of Alberta Gas Co-ops Ltd.
(780) 416-6543
www.fedgas.com



#201, 115 Portage Close, Sherwood Park, AB T8H 2R5



March 22, 2020

Dear Member/Shareholder,

Further to our letter dated March 19, 2020, the Government of Alberta has provided additional clarification on the 90-Day Utility Payment Deferral program that was announced by Premier Jason Kenney last week. Enclosed is a letter from David James, Associate Deputy Minister, Natural Gas, as well as a one-page fact sheet that provides more specific details on the payment deferral program.

Management of the Federation and Gas Alberta have jointly reviewed the information provided by government and a summary of the payment deferral program is as follows:

- The program will be in effect from March 18 to June 18, 2020
- In order for customers to qualify for a payment deferral, they must first contact your utility to make a formal request.
- Prior to accepting a customer's request, your utility should ask the customer the following questions:
 1. Are you a Residential, Farm, or Small Commercial customer?
 2. Are you experiencing financial hardship as a direct result of COVID-19, such as through loss of employment or having to leave work to care for an ill family member?
- If the customer answers 'Yes' to both questions above, they are eligible for payment deferral until the amount being deferred is paid in full, or June 18, 2020, whichever comes first.
- Customers remain responsible for paying any amounts they have deferred. Therefore, we recommend customers be encouraged to make partial payments to minimize any deferral amounts.
- The Government will work with utilities to develop a payment system to assist customers in paying back their deferred utilities within a reasonable time period.

The Federation and Gas Alberta continue to participate in industry consultations with the Alberta Government and the Alberta Utilities Commission (AUC) regarding the payment deferral program. Small working groups have recently been formed by the AUC which will allow the Federation and Gas Alberta to jointly represent the interests of our member/shareholder utilities in this matter. We will continue to remain in contact over the coming days as more information becomes available.

The Federation will be posting this information to their website; we recommend your utility consider doing the same in order to make your end-use consumers aware.

Sincerely,

Paul Dunsmore, President and CEO
Gas Alberta Inc.

Tom Kee, Executive Director
Federation of Alberta Gas Co-ops Ltd.

Enclosure



Office of the Associate Deputy
Minister, Natural Gas
Petroleum Plaza, NT, Floor 8
9945 - 108 Street
Edmonton, Alberta T5K 2G6
Canada
Telephone: 780-644-8135
Email: David.James@gov.ab.ca
www.alberta.ca

March 20, 2020

Dear Stakeholder,

To help Albertans avoid additional financial hardship as they weather the unprecedented COVID-19 health crisis, government has announced it will allow residential, farm, and small commercial customers to defer their utility bills for up to 90 days. The program is targeted to Albertans who are experiencing financial hardship as a direct result of COVID-19; for example, those who have lost their employment or had to leave work to take care of an ill family member. During this time, no Albertans will be cut off from these services.

The government recognizes that this decision may create challenges for Alberta's utility providers, which are also impacted by this crisis. In the coming days, the Government of Alberta and the Alberta Utilities Commission will work with utility companies to understand the potential impacts and operationalize this initiative. We will work to understand what, if any, liquidity issues will arise for retailers and utilities themselves and how best to address these situations. COVID-19 is an evolving issue and this initiative is vital to providing stability and safety to Albertans during these times.

Attached to this letter, for your reference, is a fact sheet summarizing the 90-day utility deferral program.

Should you have any questions or concerns regarding this initiative, please email our team at electricity@gov.ab.ca. Thank you for your support and patience.

Sincerely,



David James
Associate Deputy Minister, Natural Gas

90-day Utility Deferral

Electricity and natural gas payment deferral during COVID-19

What is happening?

To help Albertans avoid additional financial hardship as they weather the unprecedented COVID-19 health crisis, government is working with utility companies to allow residential, farm, and small commercial customers, who are unable to pay their bill when due, to defer their utility bills for up to 90 days. During this time, no Albertans will be cut off from these services.

This program is available to Albertans who are experiencing financial hardship as a direct result of COVID-19; for example, those who have lost their employment or had to leave work to take care of an ill family member.

This program came into effect on March 18, 2020 and will run through June 18, 2020.

What is a deferral?

When payment is deferred, it means the customer does not have to pay within the usual agreed-upon payment period. Customers usually have 30 days from the end of the last billing period in which to pay their utility bills. In response to the COVID-19 pandemic, utility companies are required to defer this deadline by 90 days.

How does it work?

To arrange for a deferral, call your natural gas or electricity provider directly. You will need your account information. Please be patient as there may be higher-than-normal call volumes

When do I have to pay?

The 90-day deferral program is designed to provide temporary financial relief, and consumers will still have to pay for their deferred utilities.

Government and the Alberta Utilities Commission will work with utility companies to develop a payment system to help consumers pay back their deferred utilities within a reasonable time period.

For the most up-to-date information on government's response to COVID-19, visit Alberta.ca.

No cut-off during COVID-19

Government is committed to ensuring Albertans have access to utilities during the COVID-19 outbreak, and has directed utility companies that they cannot cut consumers off from these vital services.

Consumers should contact the Utilities Consumer Advocate (www.ucahelps.alberta.ca) for support in resolving any service issues that may arise with their service providers during this time.

Call your utility provider if you need a 90-day payment deferral

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Alberta

Daniel Moric

From: Kevin Crush <kcrush@fedgas.com>
Sent: March-26-20 1:46 PM
To: Kevin Crush
Subject: Utility Essential Services during COVID-19
Attachments: Essential Services letter to Member Utilities.pdf

To All Federation Members:

Please find attached a letter indicating that in certain circumstances during the Coronavirus pandemic that natural gas utility personnel are an essential service.



Kevin Crush
Corporate Services Manager
Federation of Alberta Gas Co-ops Ltd.
(780) 416-6543
www.fedgas.com



#201, 115 Portage Close, Sherwood Park, AB T8H 2R5



March 26, 2020

All Federation Member Utilities
Distributed by Email

Re: COVID-19 Pandemic / Essential Services

The Government of Alberta and your Local Authority have provided Directives regarding curtailing activities during the current COVID-19 Pandemic. In summary, corporations and individuals are to curtail or limit activities in accordance with Alberta Government Directives and any Directives of the Local Authority in which your utility operates. Activities that are essential are only curtailed to the extent that individuals must conduct themselves in accordance with health advisories that tend to limit the spread of COVID-19.

Some of the services that your utility provide are “essential” within the broad definition provided by the Alberta Government. As such, please consider this letter as your direction and authority to continue to provide essential services such as responding to fire call-outs, odorant concerns, lack of supply issues or any other situation where a safety or health issue arises and industry practice mandates that such issue be attended to.

If the presence of your service personnel is questioned in light of COVID-19 Directives, please present this letter as your authority to provide the essential service. Any inquiries that arise from production of this letter should be directed to Executive Director Tom Kee at 780-446-2755 (cell).

Please always bear in mind that the personal safety of your employees is always a concern to us and we reiterate the need that when responding to emergent calls that your personnel be protected from COVID-19 transmission to the greatest extent possible.

Yours truly,

Tom Kee
Executive Director
Federation of Alberta Gas Co-ops Ltd.