

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 Tuesday, August 16, 2022 at 1:00 o'clock P.M.
in the County Council Chambers, Smoky Lake and through Zoom Meeting
<https://us02web.zoom.us/j/86327743538?pwd=TzZzK3lxaEVhVkpPdTNyZi9zYWV3QT09>
Meeting ID: 863 2774 3538 Passcode: 824994

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 June 17, 2022 – Utilities Meeting: **Natural Gas Meeting.** ©

Recommendation: Motion to Adopt.

3.2 Utilities Meeting: – June 17, 2022 Natural Gas: **Action List.** ©

Recommendation: File for Information

4. Request for Decision:

No Request for Decision

5. Issues for Information:

5.1 Managers Report ©

5.2 July 2022 Natural Gas Rates ©

5.3 August 2022 Natural Gas Rates ©

5.4 June 2022 Federation Status Report ©

5.5 May Gas June Billing Gas Rate Survey Results ©

5.6 Federation Board to Board Newsletter ©

6. Correspondence:

- 6.1 Paul Dunsmore, President & CEO, Gas Alberta Inc. dated July 4, 2022 – RE:
Director Nomination Request ©

Recommendation: Nominate Councillor – Yes or No – If yes, who.

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 Friday, **June 17, 2022**, at 11:38 A.M. held virtually online through Electronic Communication Technology: Zoom Meeting and in 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>Friday, June 17, 2022</u> |
|-----------------------|----------------------|---|
| 1 | Dan Gawalko | Present in Chambers |
| 2 | Linda Fenerty | Present in Chambers |
| 3 | Dominique Cere | Present in Chambers |
| 4 | Lorne Halisky | Present in Chambers |
| 5 | Jered Serben | Present in Chambers |
| CAO | Gene Sobolewski | Present in Chambers |
| Assistant CAO | Lydia Cielin | Present Virtually |
| Finance Manager | Brenda Adamson | Absent |
| Nat. Gas Manager | Daniel Moric | Present in Chambers |
| Legislative Svcs/R.S. | Patti Priest | Present Virtually |
| Planning Technician | Kyle Schole | Present Virtually |
| GIS Operator | Carole Dowhaniuk | Present Virtually |

No Members of the Media were present.
One Member of the Public was virtually present.

2. Agenda:

812-22: Fenerty That the Smoky Lake County Natural Gas Meeting Agenda for Friday, June 17, 2022, be adopted, as presented.

Carried Unanimously.

3. Minutes:

813-22: Cere That the Minutes of the Smoky Lake County Natural Gas Meeting held on Tuesday, April 12, 2022, be adopted.

Carried.

814-22: Serben That the Action List from the Smoky Lake County Natural Gas Meeting dated Tuesday, April 12, 2022, be accepted as presented.

Carried.

4. Request for Decision:

No requests for Decision.

Dave Franchuk, Environment and Parks Manager, virtually joined the meeting time 11:50 a.m.

5. Issues for Information:

Natural Gas Manager Report

815-22: Gawalko That Smoky Lake County Council accept the Natural Gas Manager's Report of statistics and activities dated June 13, 2022, and file it for information.

Carried.

Natural Gas Rate – May 2022

816-22: Fenerty That the Smoky Lake County Natural Gas Rates for **May 2022**, from Gas Alberta in the amounts of \$6.75 (Gas Alberta Rate) + \$0.24 (Variable) + \$1.90 (Operations & Maintenance Charge) = \$8.89/GJ, be filed for information.

Carried.

Natural Gas Rate – June 2022

817-22: Cere That the Smoky Lake County Natural Gas Rates for **June 2022**, from Gas Alberta in the amounts of \$7.90 (Gas Alberta Rate) + \$0.24 (Variable) + \$1.90 (Operations & Maintenance Charge) = \$10.04/GJ, be filed for information.

Carried.

Federation of Alberta Gas Co-ops Ltd. – Status Report April 2022

818-22: Serben That the report received by Smoky Lake County from the Federation of Alberta Gas Co-ops Ltd., titled: Federation Status Report, dated April 2022, be filed for information.

Carried.

Federation of Alberta Gas Co-ops Ltd. – 2022/2023 Measurement Services Agreement

819-22: Gawalko That Smoky Lake County execute the 2022/2023 Measurement Services agreement with the Federation of Alberta Gas Co-ops Ltd. for them to provide the County with gas measurement equipment inspections, recertifications, related communication connections support and assistance with gas measurement inquiries, for a five-year term, effective July 1, 2022 to June 30, 2027.

Carried.

Federation of Alberta Gas Co-ops Ltd. – Board to Board

820-22: Cere That the newsletter received by Smoky Lake County from the Federation of Alberta Gas Co-ops Ltd. titled: Board to Board, dated May 2022, be filed for information.

Carried.

6. Correspondence:

Kids with Cancer Society – Tour of Hope

821-22: Cere That Smoky Lake County Council approve to donate in the amount of \$500.00 to the Managers Group of Alberta Gas Co-ops, sponsored by Gas Alberta Inc. and Federation of Alberta Gas Co-ops Ltd., towards the “Ride for Legends” bicycle ride commencing June 9, 2022, which is an event in support of the Kids with Cancer Society (KWCS) of Edmonton, for the 2022 Tour of Hope.

Carried.

Federation of Alberta Gas Co-ops Ltd. - 16th Annual Federation Charity Golf Classic

822-22: Serben That Smoky Lake County Council approve for a team of four people, consisting of relevant Staff and Administration, who can attend, to attend, the 16th Annual Federation Charity Golf Classic, scheduled for August 18, 2022, at Goose Hummock Golf Resort, Gibbons, Alberta.

Carried.

Federation of Alberta Gas Co-ops Ltd. – Avian Influenza Movement Control Zones

823-22: Gawalko That the correspondence received by Smoky Lake County Council from Kevin Crush, Corporate Services Manager, Federation of Alberta Gas Co-ops Ltd., dated June 1, 2022, in respect to Avian Influenza Movement Control Zones, be forward to the Agricultural Service Board for information.

Carried.

Federation of Alberta Gas Co-ops Ltd. – Itron’s ERT Failure Update

824-22: Fenerty That the email received by Smoky Lake County from Kevin Crush, Corporate Services Manager, Federation of Alberta Gas Co-ops Ltd. dated June 8, 2022, in respect to Itron’s ERT failure investigation, be filed for information.

Carried.

Gas Alberta Inc. – Interim Report 2022 Q3

825-22: Fenerty That the email correspondence received by Smoky Lake County Council from Allison Moller, Controller, Gas Alberta Inc. dated May 6, 2022, providing the Gas Alberta Inc. Interim Report FY2022 Q3, be filed for information.

Carried.

7. Delegation:

No Delegation.

8. Executive Session:

No Executive Session.

Next Meeting:

826-22: Gawalko That the next Smoky Lake County Natural Gas Meeting be scheduled for **Tuesday, August 16, 2022, at 9:00 a.m.** to be held virtually, through Electronic Communication Technology as per Bylaw 1376-20 **and/or** physically in County Council Chambers.

Carried.

Adjournment:

827-22: Cere That the Smoky Lake County Natural Gas Meeting of June 17, 2022, be adjourned, time, 12:23 p.m.

Carried.

CHAIRPERSON

S E A L

CHIEF ADMINISTRATIVE OFFICER



5
GOALS

● Draft ● Not started ● Behind ● On Track ● Overdue ● Complete → Direct Alignment --- Indirect Alignment

COUNCIL MOTIONS/INQUIRY 2022 PLAN

COUNCIL MOTIONS 2022

| Meeting ... | Motio... | Goal | Details | Owner | Progress Update |
|-------------------------------|----------|--|---|---------------------|--|
| 2022 06 17 Natural Gas | | | | | |
| 2022/06/17 | 819-22 | → Federation of Alberta Gas Co-ops Ltd. – 2022/2023 Measurement Services Agreement | That Smoky Lake County execute the 2022/2023 Measurement Services agreement with the Federation of Alberta Gas Co-ops Ltd. for them to provide the County with gas measurement equipment inspections, recertifications, related communication connections support and assistance with gas measurement inquiries, for a five-year term, effective July 1, 2022 to June 30, 2027. | Natural Gas Manager | <p>Jenna Preston:</p> <p>Achievements: The Measurement Services Agreement will be recorded for monitoring and tracking purposes.</p> <p>Challenges: <i>No value</i></p> <p>Next Steps: <i>No value</i></p> |
| 2022/06/17 | 821-22 | → Kids with Cancer Society – Tour of Hope | That Smoky Lake County Council approve to donate in the amount of \$500.00 to the Managers Group of Alberta Gas Co-ops, sponsored by Gas Alberta Inc. and Federation of Alberta Gas Co-ops Ltd., towards the "Ride for Legends" bicycle ride commencing June 9, 2022, which is an event in support of the Kids with Cancer Society (KWCS) of Edmonton, for the 2022 Tour of Hope. | Finance Manager | <p>Daniel Moric:</p> <p>Achievements: Completed</p> <p>Challenges: <i>No value</i></p> <p>Next Steps: <i>No value</i></p> |
| 2022/06/17 | 822-22 | → Federation of Alberta Gas Co-ops Ltd. - 16th Annual Federation Charity Golf Classic | That Smoky Lake County Council approve for a team of four people, consisting of relevant Staff and Administration, who can attend, to attend, the 16th Annual Federation Charity Golf Classic, scheduled for August 18, 2022, at Goose Hummock Golf Resort, Gibbons, Alberta. | Natural Gas Manager | <p>Daniel Moric:</p> <p>Achievements: Completed</p> <p>Challenges: <i>No value</i></p> <p>Next Steps: <i>No value</i></p> |

3.2

| Meeting ... otio... | Goal | Details | Owner | Progress Update |
|------------------------|--|--|---------------------|--|
| 2022/06/17 823-22 | ↳ Federation of Alberta Gas Co-ops Ltd. – Avian Influenza Movement Control Zones | That the correspondence received by Smoky Lake County Council from Kevin Crush, Corporate Services Manager, Federation of Alberta Gas Co-ops Ltd., dated June 1, 2022, in respect to Avian Influenza Movement Control Zones, be forward to the Agricultural Service Board for information. | Natural Gas Manager | Daniel Moric: Achievements: Completed Challenges: <i>No value</i> Next Steps: <i>No value</i> |



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GOALS

NATURAL GAS PLAN

| Goal | Progress Update |
|---|---|
| AMR meter expiration replacement Note: Strategic Priorities Chart Feb 6, 2017: 100% | Daniel Moric: Achievements: <i>No value</i> Challenges: <i>No value</i> Next Steps: <i>No value</i> 2022/08/10 |
| Odorant Activity: 100% | Daniel Moric: Achievements: <i>No value</i> Challenges: <i>No value</i> Next Steps: <i>No value</i> 2022/08/10 |

→Deliver Odorant 0 Hours

Daniel Moric:

Achievements: June 1/22 - June 30/22

- 45 hrs x 2 servicemen = 90 hrs delivering odorant. Deliveries made to Phoenix Gas Co-op, County of Two Hills Gas Utility, Lamco Gas Co-op, Lac La Biche District Gas Co-op, Ankerton Gas Co-op, and Town of Castor Gas Utility.

July 1/22 - July 31/22

- 19 hrs x 2 servicemen = 38 hrs delivering odorant. Deliveries made to County of Thorhild Gas Utility, Chain Lakes Gas Co-op, Lac La Biche District Gas Co-op, and Village of Boyle Gas Utility.

August 1/22 - August 10/22

- No deliveries made.

Challenges: *No value*

Next Steps: *No value*

2022/08/10

Daniel Moric:

Achievements: *No value*

Challenges: *No value*

Next Steps: *No value*

2022/08/10

Daniel Moric:

Achievements: *No value*

Challenges: *No value*

Next Steps: *No value*

2022/08/10

CNG Trailer: 100%

→Compressed natural gas trailer 0 Trailer(s)

Administrative Activity (GAS):
100%

Daniel Moric:

Achievements:

- Attend weekly manager meetings.
- Receive customer phone calls.
- Respond to emails.
- Assist in producing monthly gas bills.
- July 2022 gas price was \$9.34/GJ. August 2022 gas price has increased to \$7.89/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.
- Posted in the gas bills for customers wanting to go on equalized billing as well as for paperless billing.

Challenges: *No value*

Next Steps: *No value*

2022/08/10

→Service Calls: 100%

Daniel Moric:

- Achievements:** - Gas Smell inside house. Found flexible appliance connector leaking on gas clothes dryer. Turned off valve to appliance and informed customer to have connector replaced. (Vilna)
- Gas smell inside shop. Found the gas valve on the heater leaking on the control knob. Turned off gas supply to appliance and informed customer to have valve replaced. (Smoky Lake)
 - Gas smell inside house when using gas stove. Found gas stove would be delayed to ignite the burners on the stove top. Informed customer to have stove serviced by qualified technician. (Smoky Lake)
 - Customer called and expressed concern about the location of the gas meter. Gas meter is on the old house in the yard and it is in poor condition. Making arrangements to move the meter away from the house and to a safer location. (Vilna)
 - Had a concern of a higher than normal consumption on their June gas bill. Found regulator venting at an old out building away from the meter. According to the customer, gas was not being used at the building for many years, so the valve at the riser to the building was turned off. (Smoky Lake)

Challenges: *No value*

Next Steps: *No value*

2022/08/10

→Management meeting

Daniel Moric:

Achievements: Attend weekly managers meetings

Challenges: *No value*

Next Steps: *No value*

2022/08/10

→Utility Personnel Meeting

→Gas balancing

Daniel Moric:

Achievements: Every month, monitor the amount of gas purchased from Gas Alberta and compare to the amount of gas sold. Allows us to closely monitor possible under/above ground leaks or metering issues that may occur.

Challenges: *No value*

Next Steps: *No value*

2022/08/10

→Delinquent accounts

Daniel Moric:**Achievements:** Overdue account letters are sent out after gas bills are processed monthly.**Challenges:** *No value***Next Steps:** *No value*

2022/08/10

→Paperless billing

Daniel Moric:**Achievements:** Currently have 392 natural gas accounts receiving bills by email.**Challenges:** *No value***Next Steps:** *No value*

2022/08/10

→Attend Conventions

Daniel Moric:**Achievements:** - Attending Federation Managers Meeting September 7th-9th at Nisku**Challenges:** *No value***Next Steps:** *No value*

2022/08/10

→Auditor documentation

Daniel Moric:**Achievements:** *No value***Challenges:** *No value***Next Steps:** *No value*

2022/08/11

→Other duties

Daniel Moric:

Achievements: Other duties include picking up the mail from the post office every morning, picking up parcels from the post office or Pappy's as needed, delivering mail from the County Office to the post office as needed, cleaning and disinfecting my office daily, and doing misc filing in the vault to ensure the natural gas paperwork is filed to the appropriate land file.

Challenges: *No value*

Next Steps: *No value*

2022/08/11

→O & M Policy

Daniel Moric:

Achievements: Continually review and update the Federation O&M Policy Manual, as required.

Challenges: *No value*

Next Steps: *No value*

2022/08/11

Training Activity (GAS): 100%

Daniel Moric:

Achievements: No activity

Challenges: *No value*

Next Steps: *No value*

2022/08/11

Natural Gas Construction of Infrastructure: 100%

Daniel Moric:

Achievements: *No value*

Challenges: *No value*

Next Steps: *No value*

2022/08/11

→Line locates 0 Locate(s)

Daniel Moric:**Achievements:** -116 line locates have been completed during this reporting period. 1 of these was an emergency locate after hours.**Challenges:** *No value***Next Steps:** *No value*
2022/08/11

→End Pressure Test

Daniel Moric:**Achievements:** - Monitor end of line gas pressures and compare to monthly gas balancing to check for underground leaks.**Challenges:** *No value***Next Steps:** *No value*
2022/08/11

→GPS Services and Alterations

Daniel Moric:**Achievements:** -Will be GPSing alterations and services in the coming months.**Challenges:** *No value***Next Steps:** *No value*
2022/08/11

→Install gas lines

Daniel Moric:

- Achievements:** - Partially completed 1 new service, as the basement is not backfilled. Will complete when house is moved into place, as some house movers will not move a house next to a live gas service for safety reasons.
- Will be starting 3 new services in the coming weeks. Waiting to meet the owners on site to discuss the routing for the main and location of the service.
 - Will be starting 1 new service in the coming weeks. Waiting for the homeowner to clear some trees and finish yardwork prior to install.
 - Completed 2 main service line alterations.
 - Completed 5 secondary gas lines.
 - Sold 4 secondary PE gas line assembly's. We will build them in the shop if the customer prefers to dig their own trench.

Challenges: *No value*

Next Steps: *No value*

2022/08/11

→Sign installation 0 Sign(s)

Daniel Moric:

Achievements: No activity

Challenges: *No value*

Next Steps: *No value*

2022/08/11

→Cut and Caps

Daniel Moric:

Achievements: *No value*

Challenges: *No value*

Next Steps: *No value*

2022/08/11

→RMO Replacement

Meter recalls and maintenance:
100%

Daniel Moric:

Achievements: *No value*

Challenges: *No value*

Next Steps: *No value*

2022/08/11

Daniel Moric:

Achievements: - Replaced 35 of the 88 meters with failed AMR reader heads. Keeping 15 working gas meters in stock for new services or emergency replacements. Was only able to procure 50 replacement AMR reader heads in June. Suppliers still cannot get stock of more AMR heads.

Challenges: *No value*

Next Steps: *No value*

2022/08/11

→ **Replace defective gas meters**

→ **Meter Recalls**

Council Member Inquiry (GAS):
100%

Daniel Moric:

Achievements: - No activity this reporting period

Challenges: *No value*

Next Steps: *No value*

2022/08/11

2020 INFRASTRUCTURE LINE REPLACEMENT: 100%

→ **Budget - 2020 INFRASTRUCTURE LINE REPLACEMENT: \$50k**

2020 RMO STATION REPLACEMENT PLAN RESERVE: 100%

→ **Budget - 2020 RMO STATION REPLACEMENT PLAN RESERVE: \$70k**

2020 MODEMS FOR RMO: 100%

→ **Budget - 2020 MODEMS FOR RMO: \$22k**

2020 REPLACE TRUCK: 100%

→ Budget - 2020 REPLACE
TRUCK: \$50k

2021 INFRASTRUCTURE LINE
REPLACEMENT: 100%

2021 RMO STATION
REPLACEMENT PLAN RESE:
100%

2021 REPLACE TRUCK -
removed: 100%

2021 REFURBISH TRUCK BOX:
100%

2022 INFRASTRUCTURE LINE
REPLACEMENT: 100%

2022 RMO STATION
REPLACEMENT PLAN: 100%

2022 MAPPING UNIT: 100%

2022 REPLACE TRUCK -
removed: 100%

2022 REFURBISH TRUCK BOX:
100%

2023 INFRASTRUCTURE LINE
REPLACEMENT: 100%

2023 RMO STATION
REPLACEMENT PLAN RESE:
100%

2023 REPLACE TRUCK - re mo
ve d: 100%

2023 REFURBISH TRUCK BOX:
100%

Documentation of jobs

Daily Vehicle Inspections

Pre job meetings

Daniel Moric:

Achievements: Employees fill out a Job Safety Analysis while working. They are supplied with a JSA booklet, as well as a simplified JSA is on our Customer Service Report that is completed for every job.

Challenges: *No value*

Next Steps: *No value*

2021/10/05

Undertake On-Call**Daniel Moric:****Achievements:** Employees continue to be on call for after hours issues that may arise.**Challenges:** *No value***Next Steps:** *No value*

2021/10/05

RMO Checks**Daniel Moric:****Achievements:** -Check each RMO weekly as part of our regular maintenance. This ensures we can rectify any issues as they arise.**Challenges:** *No value***Next Steps:** *No value*

2021/10/05

Complete Invoicing**Clean truck****Tool Box meeting****Daniel Moric:****Achievements:** Started attending the toolbox meetings at the beginning of the week.**Challenges:** *No value***Next Steps:** *No value*

2021/10/05

Magazine check**Daniel Moric:****Achievements:** Complete explosives magazine inventory monthly**Challenges:** *No value***Next Steps:** *No value*

2021/10/05

Odor sample**Daniel Moric:****Achievements:** Monthly odorant intensity checks (20 locations)**Challenges:** *No value***Next Steps:** *No value*

2021/10/05

**Main Office Safety Meeting
Meter readings****Daniel Moric:****Achievements:** Collect meter readings monthly for customer billing**Challenges:** *No value***Next Steps:** *No value*

2021/10/05

Vehicle maintenance**Daniel Moric:****Achievements:** -Complete vehicle/equipment maintenance as required.**Challenges:** *No value***Next Steps:** *No value*

2021/10/05

**Strategic plan
Equipment maintenance
Leak detection****Daniel Moric:****Achievements:** *No value***Challenges:** *No value***Next Steps:** *No value*

2022/06/13

Job Interviews**Daniel Moric:**

Achievements: - Seasonal position ad closing on June 14th at 4 PM. Will be reviewing resumes and arranging interviews.

Challenges: *No value*

Next Steps: *No value*

2022/06/13

Employee evaluations**Daniel Moric:**

Achievements: Completed

Challenges: *No value*

Next Steps: *No value*

2021/10/05

PFM check**Daniel Moric:**

Achievements: Check Pressure Factor Measurement (PFM) on meter sets measuring above 1 PSI, as required by Measurement Canada. Will be sending the yearly PFM report to MC in January for the year 2021. They audit our PFM reporting every 3 years and complete a scheduled site visit to ensure correct metering practices are followed.

Challenges: *No value*

Next Steps: *No value*

2021/12/08

Public building inspections**Daniel Moric:**

Achievements:

Completed our public building inspections in June.

Challenges: *No value*

Next Steps: *No value*

2021/10/05

Cathodic protection**Daniel Moric:**

Achievements: -Cathodic protection is the protection of the underground metallic pipelines from oxidization and rusting using sacrificial anodes of varying metals. Yearly, we check the condition of these anodes and replace the anodes as they deplete beyond their effectiveness. This helps greatly extend the lifetime of our high pressure pipelines and the risers that extend out of the ground. This is completed during the summer, as the readings are less accurate during the winter due to frozen soil conditions. We also monitor the pipes for the fuel pumps at the County shop as required by the regulatory bodies

Challenges: *No value***Next Steps:** *No value*

2021/10/05

Tetler bag samples**Daniel Moric:**

Achievements: Required yearly to ensure the molecular content of the natural gas we are supplying to customers is within acceptable standards

Challenges: *No value***Next Steps:** *No value*

2021/10/05

Hydro Axing**Wash and bleach all equipment.****Daniel Moric:**

Achievements: During construction, equipment is washed and bleached prior to entering properties to minimize the risk of Clubroot transfer.

Challenges: *No value***Next Steps:** *No value.*

2021/10/05

Maintain Facilities.**Automatic Meter Readings****Daniel Moric:**

Achievements: Continue to read natural gas meter using the AMR system monthly

Challenges: *No value***Next Steps:** *No value*

2021/10/05

Goal

Progress Update

**2020 CARRY OVER RMO
STATION PROJECT: 100%**

↳ **Budget - 2020 CARRY OVER
RMO STATION PROJECT:
\$50k**

(GAS) Training Event Form 2022



June 28, 2022

Attention: Manager/CAO

Re: GAS COST RATE EFFECTIVE JULY 2022

Gas Alberta's gas cost rate will decrease by \$0.70/GJ to **\$7.20/GJ** for the month of July 2022.

Our variable rate will remain at \$0.24/GJ for the period July 1, 2022 through June 30, 2023. Attachment #1 provides the variable rate breakdown for FY 2023.

The rates set by the Regulated Retailers for the month of July 2022 are shown below. Please note that the rates set by Direct Energy Regulated Services (DERS) and Apex Utilities (AUI) are *typically* impacted by their prior period over- and under-recoveries. However, due to the significant natural gas market price increases in April/May 2022, DERS and AUI received approval from the AUC to defer their under-recoveries from April/May 2022 to future periods. The AUC has since directed DERS and AUI to recover all forecasted under-recoveries by September 30, 2022.

| | Direct Energy (DERS) | Apex Utilities (AUI) | Weighted Avg. (Est) | Gas Alberta |
|---|----------------------|----------------------|---------------------|------------------|
| Gas Cost Rate | \$8.324/GJ | \$9.863/GJ | \$8.478/GJ | \$7.20/GJ |
| Over (Under) riders included in Gas Costs | \$(1.16)/GJ | \$(2.70)/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,

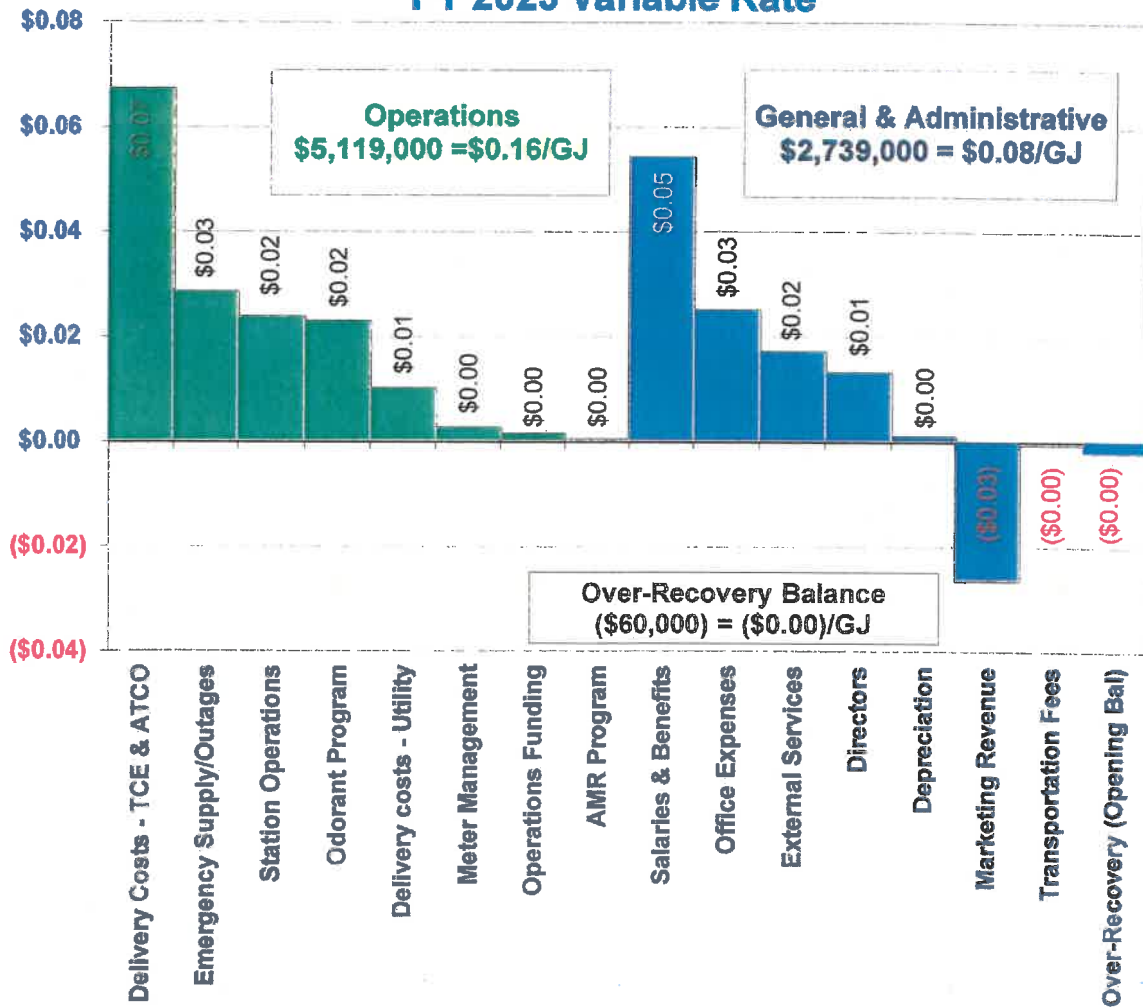
Carlee Martin
Vice President, Gas Supply



FY 2023 VARIABLE RATE CHARGES

| | | \$ | ¢/GJ | % |
|-------------------------------------|---|--------------------|--------------|-------------|
| OPERATIONS | Delivery Costs - TCE & ATCO | \$2,197,000 | 6.7 | |
| | Emergency Supply/Outages | \$930,000 | 2.8 | |
| | Station Operations | \$775,000 | 2.4 | |
| | Odorant Program | \$749,000 | 2.3 | |
| | Delivery Costs - Utility | \$330,000 | 1.0 | |
| | Meter Management Program | \$83,000 | 0.3 | |
| | Operations Funding | \$45,000 | 0.1 | |
| | AMR Program | \$10,000 | 0.0 | |
| | Total Operations | \$5,119,000 | 15.7 | 66% |
| GENERAL & ADMINISTRATIVE | Salaries & Benefits | \$1,771,000 | 5.4 | |
| | Office Expenses | \$818,000 | 2.5 | |
| | External Services | \$559,000 | 1.7 | |
| | Directors | \$428,000 | 1.3 | |
| | Depreciation | \$31,000 | 0.1 | |
| | Less Marketing Revenue | (\$858,000) | (2.6) | |
| | Less Transportation Fee Recovery | (\$10,000) | 0.0 | |
| | Total General & Administrative | \$2,739,000 | 8.4 | 35% |
| | Over-Recoveries | (\$60,000) | (0.2) | (1%) |
| TOTAL VARIABLE RATE CHARGES | \$7,798,000 | 23.8 | | |

FY 2023 Variable Rate



Natural Gas Rates July 2022

| | Gas Ab. Rate | Variable | O & M charge | Total | |
|---------------|--------------|----------|--------------|---------|--|
| Domestic rate | \$ 7.20 | \$ 0.24 | \$ 1.90 | \$ 9.34 | |

Sungro

| | | | | | |
|--------------|---------|---------|---------|---------|---|
| 0-35000 gjs | \$ 7.20 | \$ 0.24 | \$ 0.80 | \$ 8.24 | X |
| 35-85000 gjs | \$ 7.20 | \$ 0.24 | \$ 0.60 | \$ 8.04 | |
| over 85 | \$ 7.20 | \$ 0.24 | \$ 0.40 | \$ 7.84 | |

Smoky Lake Forest Nursery

| | | | | | |
|--------------|---------|---------|---------|---------|---|
| 0-35000 gjs | \$ 7.20 | \$ 0.24 | \$ 0.80 | \$ 8.24 | |
| 35-85000 gjs | \$ 7.20 | \$ 0.24 | \$ 0.60 | \$ 8.04 | X |
| over 85 | \$ 7.20 | \$ 0.24 | \$ 0.40 | \$ 7.84 | |

| | | | | | |
|--------|---------|---------|---------|---------|--|
| Tremel | \$ 7.20 | \$ 0.24 | \$ 0.78 | \$ 8.22 | |
|--------|---------|---------|---------|---------|--|

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 | \$ 7.20 | \$ 0.24 | \$ 0.12 | \$ 7.56 | |
|--------------------|---------|---------|---------|---------|--|



July 26, 2022

Attention: Manager/CAO

Re: GAS COST RATE EFFECTIVE AUGUST 2022

Gas Alberta's gas cost rate will decrease by \$1.45/GJ to **\$5.75/GJ** for the month of August 2022.

Our variable rate will remain at \$0.24/GJ for the period July 1, 2022 through June 30, 2023.

The rates set by the Regulated Retailers for the month of August 2022 are shown below. Please note that the rates set by Direct Energy Regulated Services (DERS) and Apex Utilities (AUI) are *typically* impacted by their prior period over- and under-recoveries. However, due to the significant natural gas market price increases in April/May 2022, DERS and AUI received approval from the AUC to defer their under-recoveries from April/May 2022 to future periods. The AUC has since directed DERS and AUI to recover all forecasted under-recoveries by September 30, 2022.

| | Direct Energy (DERS) | Apex Utilities (AUI) | Weighted Avg. (Est) | Gas Alberta |
|---|----------------------|----------------------|---------------------|------------------|
| Gas Cost Rate | \$5.797/GJ | \$7.562/GJ | \$5.974/GJ | \$5.75/GJ |
| Over (Under) riders included in Gas Costs | \$(2.13)/GJ | \$(2.56)/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 Martin
Vice President, Gas Supply

Natural Gas Rates August 2022

| | Gas Ab. Rate | Variable | O & M charge | Total | |
|---------------|--------------|----------|--------------|---------|--|
| Domestic rate | \$ 5.75 | \$ 0.24 | \$ 1.90 | \$ 7.89 | |

Sungro

| | | | | | |
|--------------|---------|---------|---------|---------|---|
| 0-35000 gjs | \$ 5.75 | \$ 0.24 | \$ 0.80 | \$ 6.79 | X |
| 35-85000 gjs | \$ 5.75 | \$ 0.24 | \$ 0.60 | \$ 6.59 | |
| over 85 | \$ 5.75 | \$ 0.24 | \$ 0.40 | \$ 6.39 | |

Smoky Lake Forest Nursery

| | | | | | |
|--------------|---------|---------|---------|---------|---|
| 0-35000 gjs | \$ 5.75 | \$ 0.24 | \$ 0.80 | \$ 6.79 | |
| 35-85000 gjs | \$ 5.75 | \$ 0.24 | \$ 0.60 | \$ 6.59 | X |
| over 85 | \$ 5.75 | \$ 0.24 | \$ 0.40 | \$ 6.39 | |

| | | | | | |
|--------|---------|---------|---------|---------|--|
| Tremel | \$ 5.75 | \$ 0.24 | \$ 0.78 | \$ 6.77 | |
|--------|---------|---------|---------|---------|--|

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 | \$ 5.75 | \$ 0.24 | \$ 0.12 | \$ 6.11 | |
|---------------------------|---------|---------|---------|---------|--|



Federation Status Report

June 2022

GOVERNMENT & INDUSTRY RELATIONS

i Federation Board and Administration frequently meet government and industry to discuss issues relevant to utilities and the natural gas industry.

GOVERNMENT RELATIONS

Federation Board and Administration have frequent meetings with Government Members and officials. Primarily, these are with Alberta Agriculture, but may include other Ministries or meetings with MLAs for educational purposes.

Updates

- Board met with Alberta Energy Regulator to discuss the high pressure pipeline levy
- Several meetings held with Alberta Energy regarding the Energy Affordability Program/Utility Rebate Program. The Federation is being requested to act as contractor to the Government to process monthly applications for Member and non-member gas utilities.
- Submissions made to Alberta Utilities Commission's Hydrogen Inquiry. Expecting a report from AUC in the near future
- Meeting being set up with Associate Minister of Natural Gas Dale Nally

INDUSTRY RELATIONS

The Federation meets with other organizations to discuss areas of common interest. Organizations may include, but are not limited to: ATCO, Apex Utilities, Alberta Community and Co-operative Association, Utility Safety Partners, Canadian Gas Association, Measurement Canada.

Updates

- Took part in Canadian Gas Association Board of Directors meeting and Nexus event at the end of April.
- Operations staff took part in the CGA Operations, Engineering, Integrity, Measurement conference in June
- Participated in the Canadian Hydrogen Convention in Edmonton
- Having discussions with some independent utilities that have requested Federation membership

OPERATIONS

i Federation undertakes activities to assist Member Utilities in their field operations, including Measurement and Meter Management Services, O&M Guidelines and O&M Audits, and Odorant delivery

MEASUREMENT

Measurement inspects gas measurement equipment at RMO stations on a biennial basis, performs EVC inspections, manages the data collection and alarm reporting system and available to support gas measurement inquiries as part of the Measurement Contract. Orders and distributes Measurement Canada residential AMR seals as

requested, oversees the Meter Management Program and through the Measurement Canada Accreditation perform recertifications on EVC devices in the field.

Updates

- North meter inspections underway, Utilities are being contacted for scheduling.
- Measurement contract is updated and have been sent for the July 1st renewal.
- Federation is leading the Itron ERT failure concern. Update on progress sent to the Members.

O&M

O&M Committee meet monthly to review the Guidelines For Operation and Maintenance Practices in Alberta Natural Gas Utilities (O&M Manual) sections. O&M Audit questions are asked based on the information in the O&M Manual to ensure all utilities are meeting the requirements.

Updates

- Dawn Dietz has assumed the new role of O&M Program Administrator to work with two O&M Auditors conducting audits on Federation Member Utilities and a large number of independent utilities and small distribution systems
- Jay Livingston hired as second O&M Auditor to work with Delbert Beazer
- 2022 O&M Audits, for Federation Members, will be completed by the end of June.
- Committee is continuously working on reviewing sections of O&M Manual.
- Committee continues to work with the HS Working Group to ensure alignment between the two manuals.
- Recent O&M sections distributed to Membership included Integrity Management Program (IMP) and Safety and Loss Management System (SLMS)

ALBERTA ODORANT SERVICES

The Federation along with Bow River Gas Co-op Ltd., East Smoky Gas Co-op Ltd., and Smoky Lake County administrate the subsidiary Alberta Odorant Services to provide mercaptan deliveries to Member Utilities and third parties.

Updates

- Utilities are reminded to check odorant tank levels at their stations monthly as required and report tank levels to your Delivery Drivers to allow sufficient time to schedule an odorant delivery.
- The program looks for efficiencies wherever possible, reducing the number of site visits saves costs to the program. A review of the number of requested fills per year per tank is underway, results will be shared with the delivery companies for recommendations.

GIS

The Federation works with the GIS Users Group and GIS Users Group Executive Committee to develop a central GIS accessible by Member Utilities.

Updates

- Server install is complete, user access is available to utilities.
- Training courses are being developed on how to use the Esri products and the data on the server.
- Currently, utilities with Esri products can download their data and work on it independently.

Health & Safety

The Federation Health and Safety Program is a suite of services allowing individual utilities the ability to maintain their health and safety programs, and to audit utilities on their individual programs.

Updates

- Jon VanHaga from East Smoky Gas Co-op has joined the Health and Safety Working Group.
- The first Health and Safety quarterly newsletter was sent out.
- A new H&S Chat Group was formed to share safety information, industry trends and discuss issues affecting H&S programs. All Federation members are encouraged to join the chat group regardless of your program's complexity. Contact Brett Wood for more information.
- H&S Working Group is working on linking several sections of the HSMS templates to the O&M Guidelines, revamping the O&M Emergency Preparedness and Response and drafting the June newsletter.
- The Federation participates in the Canadian Gas Association – Health and Safety sub-committee to keep current on industry trends and share related information.

SCADA

The VT SCADA system is available to all Measurement Contract members. This system will be replacing the current Honeywell PowerSpring system that has served the members over the past two decades.

Updates

- Users have access to their connected sites, the Measurement Department will no longer be receiving notification of site alarms and the users will be responding to those alarms as they deem necessary.
- Users are encouraged to check on their system to confirm the communications connected as expected.
- Full transition will be completed on or near July 1, 2022 when Power Spring will be retired.

ADMINISTRATION & CORPORATE SERVICES

i Administration and Finance manages most of the day to day operations of the Federation. This includes responsibilities such as: Finance, Office Administration, Member Services, Convention and Training Administration, RUBIS Billing Services, Communications, Human Resources, and works with the Board of Directors on governance matters.

FINANCE

The Finance section approves purchases, sends out invoices, maintains payroll, assists the financial auditors, develops and monitors budgets. It also provides accounting for the Federation, grant program, measurement, RUBIS, Alberta Odorant Services, and Alberta Federation of Rural Water Co-operatives.

Updates

- Board has approved the 2022-2023 budget. It proposes no increase to the riser levy, and decreases to many training fees
- Measurement contracts went out with invoices now being generated for participating utilities
- New finance policies and procedures for the Federation Board and office staff have been developed

ADMINISTRATION

Administration is responsible for maintaining the Federation calendar and booking all meeting rooms or offsite meetings. It is also responsible for planning Federation meetings and events, filing, mail-outs, maintaining the Federation Centre and its tenants, maintaining information technology, maintaining Federation website and the Alberta Federation of Water Co-ops website, supporting FedGas Insurance Reciprocal Exchange meetings, and is normally the first point of contact for enquiries or customer complaints.

Updates

- A review is being completed on the amount of work required for the Federation to process forms for Alberta's Utility Rebate Program. Work is ongoing with Alberta Energy to determine what the rebate process will look like.
- Fall Zone Meetings expected to take place October 20-28
- Federation Charity Golf Classic has been booked for August 18, 2022. Registrations and sponsorships have gone out.
- Funding and Voting Review taking place. Suzanne Polkosnik has been hired to complete this review
- New Directors Handbook complete. An initial hard copy will be delivered to each Member Utility. Following that, the Handbook will be available only digitally.
- Federation website being redeveloped. Mediashaker has been selected to redesign the website and redevelop the entire content management system. It is expected to go live in the Summer months.
- New Records Management policies and procedures, as well as recommendations for the federation's server file structures, are being developed to modernize the Federation's electronic filing system
- Supplemental Bylaws are being reviewed for revisions. A number of revisions have been proposed by the Governance Committee and are being looked at by legal counsel
- Federation Centre reception area being remodelled

BENEFITS & PENSION

The Federation works with Alberta Municipal Services Corporation (AMSC) to provide benefits and pension to employees and directors of Member Utilities. AMSC provides the actual administration of the benefits and pension program. The Federation negotiates rates and works with AMSC to ensure employees and directors are being treated as best as possible. The Federation sits on the AMSC Pension Advisory Group, and the AMSC Benefits Advisory Group. In addition, the Federation reviews Human Resources policies with legal and AMSC, and makes recommended changes to utilities as required.

Updates

- AMSC has begun deploying their new computer system. It will give plan administrators more ability to do some work for themselves
- Discussions have been held with AMSC on customer service levels, mandatory generic drugs, and mental health programs
- AMSC is looking at changing pension rules to allow for more flexibility for employees.

COMMUNICATIONS

Communications is responsible for internal bulletins such as the Board to Board newsletter, Federation Status Report, Federation meeting presentations, and email bulletins. It is also responsible for external communications such as Federation briefing packages, brochures, trade fairs, advertising, social media, and provides assistance for government and industry relations.

Updates

- Digital video ads on Connected TV platforms from September 2021 to May 2022 had 427,027 impressions, with a rate of over 90% of completed views. Digital video ads on YouTube had 94,705 views for the same time period.
- The Federation's video ads are all viewable on our YouTube channel at www.youtube.com/fedgasab or at www.fedgas.com/videos. Specific links are:
 - Rural Communities - <https://youtu.be/BG5EvOAH2ls>
 - Members - <https://youtu.be/su0Qh5H97w>
 - Safe Digging - <https://youtu.be/ab30QQ48Oo>
- The Federation has several social media accounts:
 - Facebook - www.facebook.com/fedgasab
 - Twitter - [@fedgasab](https://twitter.com/fedgasab)
 - YouTube – www.youtube.com/fedgasab
- Always looking for content for social media and newsletters, so any pictures, video, or events that you may want posted can be sent to kcrush@fedgas.com.

TRAINING

Works with Training Committee, Trainers, and Third-Party Organizations to modify and develop training courses, and to put on training courses for Member Utilities – including setting facilities, working with hotels, ordering materials, and maintaining a database of course history.

Updates

- This season there were 50 classes (across all courses) scheduled with 433 students registered for the courses that have been held or upcoming
- Review is taking place on Gas Utility Operator for where updates could be made, including working with Alberta Apprenticeship and Industry to ensure the provincial exam is also updated
- The Emergency Preparedness course was updated
- For the 2023 season, the Federation is proposing to reduce fees on many courses due to cost-savings with an in-house trainer
- The Training Needs Assessment has been emailed out.

CONVENTION

Federation Convention and Trade Fair typically occurs over 5 days at the end of November. It incorporates a Trade Fair, training for Service and Office personnel, Managers Meeting, Chair's Meeting, general training, and an AGM. Over 600 people take part. Meetings are required with multiple hotels, speakers, and others to organize the event.

Updates

- Alberta Country Music star Drew Gregory has been booked as the banquet entertainment
- Speakers for the Service and Office Personnel Seminars have been booked.

- The Training Committee was looking at potential Tuesday Training classes
- MLAs have been invited to the MLA Forum
- Registration is planned to open up in summer months

QUALITY ASSURANCE & TECHNICAL SAFETY

Federation oversees program to ensure PE pipe has been quality inspected, and takes part in numerous Technical Safety Committees CSA, Alberta Safety Codes, CGA, Utility Safety Partners and others.

Updates

- Received word that Shawcor's Edmonton polyethylene plant was sold and shut down. Discussions are occurring on what this means for the Province's Quality Assurance program.
- UV stability for outdoor storage has been increased to 3 yrs. Working on capturing if any of our piping is affected by this due to the downturn in the economy.
- Asking AER for exemption for Composites and thermoplastic pipes suitable for HP.

GRANTS AND EASEMENTS

i Department oversees the distribution of the Rural Gas Grant and Ancillary Services, including easements. Federation annually receives \$2.475 Million from Alberta Government for the Grant and Ancillary Services.

RURAL GAS GRANT

Alberta Agriculture and Forestry has authorized the Federation to be the distributor for the Rural Gas Grant to the non-investor-owned utilities.

Updates

- A multi-year (2021 and 2022 Construction) Rural Gas Grant Agreement with the Province has been approved.
- Funding for both years has been received

EASEMENT SERVICES AND AUDITS

Federation provides services to help utilities gain rights-of-ways or determine what easements/parcels are already on a land area. This service is provided to Member Utilities, Non-Member Gas Utilities, REAs, and Water Co-ops on a fee basis. Construction audits for the Rural Gas Grant. Cadastrals are provided to Member Utilities.

Updates

- New Grants and Easements Co-ordinator hired to replace Dawn Dietz who moved to the position of O&M Program Administrator

FEDERATION INSURANCE RECIPROCAL & EXCHANGE (FIRE)

i Reciprocal has been set up to manage insurance needs of Member Utilities, the Federation, and Gas Alberta

FIRE

Aon Reed Stenhouse manages the reciprocal on behalf of the Federation. Federation Board acts as the Board of Directors for FIRE. The Co-operators is the insurance holder for the Reciprocal.

Updates

- Katharine Hall has been appointed as the new attorney-in-fact for FIRE.
- Suncorp contracted to do assessments on gas co-op facilities. They have conducted a pilot project with three sample sites. The results are intended to help other gas utilities determine how much their facilities may be worth for insurance purposes
- FIRE bylaws have gone through a revision process to modernize and update wording. Revisions will be brought to the FIRE annual general meeting in June

| Utility Name | Zone | Wholesale Gas Purchase From | Wholesale Purchase Rate | Location of Variable Rate | Delivery/Variable Rate (Per GJ) | GAI Variable Rate | Gas Loss Wholesale Price (%) | Gas Loss Charge (%) | Gas Loss Charge (GJ) | System Improvement Fee | Other Charges on the Gas Rate | TOTAL | Monthly Service Charge | Gas Loss Monthly | System Improvement Monthly Charge | Other Monthly Charges | TOTAL MONTHLY | Infill Urban | Infill Rural |
|--|------|-----------------------------|-------------------------|---------------------------|---------------------------------|-------------------|------------------------------|---------------------|----------------------|------------------------|-------------------------------|-------|------------------------|------------------|-----------------------------------|-----------------------|---------------|--------------|--------------|
| Birch Hills Gas Co-op Ltd. | 1 | GAI | 6.75 | Gas Rate | 1.70 | 0.24 | | | | | | 8.69 | 29.50 | | | | 29.50 | 4500.00 | 8500.00 |
| Central Peace Natural Gas Co-op Ltd. | 1 | GAI | 6.75 | Gas Rate | 1.60 | 0.24 | | | | | | 8.59 | 25.00 | | | | 25.00 | 0.00 | 9000.00 |
| Dene Tha | 1 | GAI | 6.75 | Utility's Variable Rate | 3.50 | 0.24 | | | | | | 10.25 | 10.00 | | | | 10.00 | 0.00 | 0.00 |
| East Peace Gas Co-op Ltd. | 1 | GAI | 6.75 | Utility's Variable Rate | 1.65 | 0.24 | | | 0.00 | 0.00 | 2.10 | 10.50 | 20.00 | 0.00 | 0.00 | 0.00 | 20.00 | 4000.00 | 9000.00 |
| East Smoky Gas Co-op Ltd. | 1 | GAI | 6.75 | Utility's Variable Rate | 1.79 | 0.24 | 2.00 | | | | | 8.68 | 25.00 | | 0.10 | 0.00 | 25.10 | 3000.00 | 7500.00 |
| North Peace Gas Co-op Ltd. | 1 | GAI | 6.75 | Gas Rate | 1.34 | 0.24 | 2.00 | | | | | 8.46 | 30.00 | | | | 30.00 | 3000.00 | 7500.00 |
| Northern Lights Gas Co-op Ltd. | 1 | GAI | 6.75 | | 1.32 | 0.24 | 2.00 | | | 2.45 | | 10.66 | 20.00 | | 20.00 | | 40.00 | 2000.00 | 8000.00 |
| Paddle Prairie | 1 | GAI | 6.75 | Utility's Variable Rate | 0.20 | 0.24 | | | | | | 6.95 | 20.00 | | | | 20.00 | 0.00 | 0.00 |
| Prairie River Gas Co-op Ltd. | 1 | GAI | 6.75 | Gas Rate | 1.70 | 0.24 | | | | 0.36 | | 9.05 | 20.00 | | | | 20.00 | 0.00 | 0.00 |
| Swan River Gas Co-op Ltd. | 1 | GAI | 6.75 | Gas Rate | 2.10 | 0.24 | | | | | | 9.09 | 26.75 | | 5.50 | | 32.25 | 4250.00 | 8000.00 |
| Town of High Prairie Gas Utility | 1 | GAI | 6.75 | | 1.80 | 0.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.55 | 20.00 | 0.00 | 0.00 | 0.00 | 20.00 | 0.00 | 0.00 |
| Town of Manning Gas Utility | 1 | GAI | 6.75 | Gas Rate | 2.50 | 0.24 | | | | | | 9.49 | 22.00 | | | 0.00 | 22.00 | 0.00 | 0.00 |
| Town of Rainbow Lake Gas Utility | 1 | GAI | 6.75 | Gas Rate | 2.50 | 0.24 | | | | | | 9.49 | 15.00 | | | | 15.00 | 0.00 | 0.00 |
| Town of Valleyview Gas Utility | 1 | GAI | 6.75 | Gas Rate | 1.70 | 0.24 | 2.00 | | | | | 8.83 | 18.45 | 0.00 | 0.00 | 0.00 | 18.45 | 0.00 | 0.00 |
| Buck Mountain Gas Co-op Ltd. | 2 | GAI | 6.75 | Gas Rate | 1.90 | 0.24 | 2.00 | | | | | 8.48 | 22.00 | | | | 22.00 | 3300.00 | 7500.00 |
| Evergreen Gas Co-op Ltd. | 2 | GAI | 6.75 | Gas Rate | 1.50 | 0.24 | | | | | | 8.49 | 25.00 | | | | 25.00 | 6400.00 | 7000.00 |
| Pembina River Natural Gas Co-op Ltd. | 2 | GAI | 6.75 | Gas Rate | 2.00 | 0.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.99 | 32.00 | 0.00 | 0.00 | 0.00 | 32.00 | 3500.00 | 8000.00 |
| Ste. Anne Natural Gas Co-op Ltd. | 2 | GAI | 6.75 | Gas Rate | 1.50 | 0.24 | 4.00 | | | 1.00 | | 9.76 | 35.00 | | 5.00 | | 40.00 | 3000.00 | 6000.00 |
| TRL Gas Co-op Ltd. | 2 | GAI | 6.75 | Gas Rate | 2.00 | 0.24 | | | | | | 8.99 | 31.00 | | | | 30.00 | 0.00 | 0.00 |
| West Parkland Gas Co-op Ltd. | 2 | GAI | 6.75 | Gas Rate | 1.71 | 0.24 | 3.00 | | | | | 8.90 | 27.25 | | 2.75 | | 30.00 | 3750.00 | 6000.00 |
| Yellowhead Gas Co-op Ltd. | 2 | GAI | 6.75 | Gas Rate | 1.35 | 0.24 | 2.00 | | | | | 8.47 | 22.00 | | | | 22.00 | 5000.00 | 8000.00 |
| County of Two Hills Gas Utility | 3 | GAI | 6.75 | Gas Rate | 1.60 | 0.24 | | | | | | 8.59 | 18.00 | | 5.00 | | 18.00 | 4000.00 | 8000.00 |
| County of Vermilion River Gas Utility | 3 | GAI | 6.75 | Gas Rate | 1.27 | 0.24 | | | | | | 8.26 | 30.00 | | | | 30.00 | 2500.00 | 7500.00 |
| Lac La Biche County | 3 | GAI | 6.75 | Utility's Variable Rate | 1.89 | 0.24 | | | | | | 8.64 | 25.00 | | | | 25.00 | 0.00 | 0.00 |
| Minco Gas Co-op Ltd. | 3 | GAI | 6.75 | Gas Rate | 1.50 | 0.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.49 | 17.50 | 0.00 | 0.00 | 0.00 | 17.50 | 4750.00 | 9500.00 |
| Smoky Lake County | 3 | GAI | 6.75 | Gas Rate | 1.59 | 0.24 | | | | 0.40 | | 8.89 | 25.00 | | | | 25.00 | 3500.00 | 7000.00 |
| Thornhill County | 3 | GAI | 6.75 | Utility's Variable Rate | 2.01 | 0.24 | | | 0.00 | 0.00 | 0.00 | 8.76 | 27.00 | 0.00 | 0.00 | 4.00 | 31.00 | 3000.00 | 8000.00 |
| Town of Redwater Gas Utility | 3 | GAI | 6.75 | Gas Rate | 2.10 | 0.24 | | | | | | 9.09 | 18.00 | | | | 18.00 | 0.00 | 0.00 |
| Town of Smoky Lake Gas Utility | 3 | GAI | 6.75 | Gas Rate | 1.90 | 0.24 | | | | | | 9.29 | 25.00 | | | | 25.00 | 2500.00 | 2500.00 |
| Village of Boyle Gas Utility | 3 | GAI | 6.75 | Utility's Variable Rate | 2.20 | 0.24 | | | | 0.40 | | 8.55 | 15.00 | | 5.00 | | 20.00 | 0.00 | 0.00 |
| Coronado Gas Co-op Ltd. | 4 | GAI | 6.75 | Gas Rate | 2.10 | 0.24 | 0.00 | 0.00 | 0.00 | | 0.05 | 9.14 | 28.00 | 0.00 | 0.00 | 0.00 | 28.00 | 0.00 | 8000.00 |
| Kehewin | 4 | GAI | 6.75 | Utility's Variable Rate | 2.25 | 0.24 | | | | | | 9.00 | 20.00 | | | | 20.00 | 0.00 | 0.00 |
| Lac La Biche District Natural Gas Co-op Ltd. | 4 | GAI | 6.75 | Gas Rate | 1.90 | 0.24 | | | | | | 8.89 | 35.00 | | | | 35.00 | 3250.00 | 7500.00 |
| Lemco Gas Co-op Ltd. | 4 | GAI | 6.75 | Gas Rate | 1.75 | 0.24 | 3.00 | 0.00 | 0.00 | 0.50 | 0.00 | 9.44 | 30.00 | 0.00 | 8.00 | 0.00 | 38.00 | 7000.00 | 11000.00 |
| North East Gas Co-op Ltd. | 4 | GAI | 6.75 | Gas Rate | 1.00 | 0.24 | | | | | | 7.99 | 10.00 | | | | 10.00 | 6250.00 | 6250.00 |
| Ankerton Gas Co-op Ltd. | 5 | GAI | 6.75 | Gas Rate | 1.45 | 0.24 | | | | | | 8.44 | 28.00 | | | | 28.00 | 1500.00 | 8000.00 |
| Battle River Gas Co-op Ltd. | 5 | GAI | 6.75 | Utility's Variable Rate | 1.92 | 0.24 | | | | | | 8.77 | 30.00 | | 5.00 | | 35.00 | 3000.00 | 8000.00 |
| Dry Country Gas Co-op Ltd. | 5 | GAI | 6.75 | Gas Rate | 1.50 | 0.24 | | | | | | 8.49 | 27.00 | | | | 27.00 | 3000.00 | 7500.00 |
| Iron Creek Gas Co-op Ltd. | 5 | GAI | 6.75 | Gas Rate | 1.40 | 0.24 | | | | | | 8.39 | 25.00 | | 7.50 | | 32.50 | 0.00 | 10000.00 |
| Natural Gas Co-op 52 Ltd. | 5 | GAI | 6.75 | Gas Rate | 1.70 | 0.24 | | | | | | 8.69 | 30.00 | | 5.00 | | 35.00 | 2500.00 | 10000.00 |
| Paintearth Gas Co-op Ltd. | 5 | GAI | 6.75 | Gas Rate | 1.40 | 0.24 | | 3.00 | | 0.69 | | 9.12 | 30.00 | | | | 30.00 | 3000.00 | 10000.00 |
| Phoenix Gas Co-op Ltd. | 5 | GAI | 6.75 | Gas Rate | 1.70 | 0.24 | | | | | | 8.69 | 30.00 | | | | 30.00 | 3000.00 | 10000.00 |
| Sedgewick Killam Natural Gas System | 5 | GAI | 6.75 | Gas Rate | 1.35 | 0.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.34 | 25.00 | | | | 30.00 | 3500.00 | 6000.00 |
| Town of Castor Gas Utility | 5 | GAI | 6.75 | Gas Rate | 1.90 | 0.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.89 | 75.00 | 0.00 | 0.00 | 0.00 | 75.00 | 1500.00 | 0.00 |
| Town of Daysland Gas Utility | 5 | GAI | 6.75 | Gas Rate | 1.40 | 0.24 | | | | | | 8.39 | 25.00 | | | | 25.00 | 1500.00 | 0.00 |
| Town of Wainwright Gas Utility | 5 | GAI | 6.75 | Gas Rate | 1.28 | 0.24 | 2.50 | | | | | 8.44 | 25.50 | | | | 25.50 | 1500.00 | 0.00 |
| Village of Chauvin Gas Utility | 5 | Phoenix Gas | 5.24 | | 1.00 | | | | | | | 6.24 | 26.00 | | | | 25.50 | 0.00 | 0.00 |
| Village of Halkirk Gas Utility | 5 | Paintearth Gas | 4.31 | | 1.20 | | | | | 0.40 | | 5.91 | 25.00 | | | | 25.00 | 0.00 | 0.00 |
| Burnt Lake Gas Co-op Ltd. | 6 | GAI | 6.75 | Gas Rate | 1.55 | 0.24 | 5.00 | | | | 1.00 | 8.88 | 30.30 | | | | 30.30 | 0.00 | 0.00 |
| Chain Lakes Gas Co-op Ltd. | 6 | GAI | 6.75 | Utility's Variable Rate | 2.14 | 0.24 | | | | 0.30 | | 9.19 | 28.00 | | | | 28.00 | 4250.00 | 7000.00 |
| Crossroads Gas Co-op Ltd. | 6 | GAI | 6.75 | Gas Rate | 2.55 | 0.24 | | | 0.20 | 0.15 | | 9.89 | 26.50 | | | | 26.50 | 4250.00 | 7500.00 |
| Diamond Valley Gas Co-op Ltd. | 6 | GAI | 6.75 | Gas Rate | 2.50 | 0.24 | 5.00 | | | | | 9.83 | 33.00 | | 5.00 | | 38.00 | 4000.00 | 8000.00 |
| Foothills Gas Co-op Ltd. | 6 | GAI | 6.75 | Gas Rate | 1.25 | 0.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.24 | 18.00 | 0.00 | 0.00 | 0.00 | 18.00 | 4500.00 | 7250.00 |
| Foothills Gas Co-op Ltd. | 6 | GAI | 6.75 | Gas Rate | 1.25 | 0.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.24 | 18.00 | 0.00 | 0.00 | 0.00 | 18.00 | 4500.00 | 7250.00 |
| Foothills Natural Gas Co-op Ltd. | 6 | GAI | 6.75 | Gas Rate | 1.25 | 0.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.24 | 18.00 | 0.00 | 0.00 | 0.00 | 18.00 | 4500.00 | 7250.00 |
| G.L.D.C. Gas Co-op Ltd. | 6 | GAI | 6.75 | Gas Rate | 1.30 | 0.24 | 3.00 | | | 0.75 | | 8.74 | 30.00 | | 5.00 | | 35.00 | 4000.00 | 8000.00 |
| Rocky Gas Co-op Ltd. | 6 | GAI | 6.75 | Utility's Variable Rate | 1.64 | 0.24 | 2.00 | | | 0.33 | 0.33 | 9.18 | 29.00 | | | | 29.00 | 5000.00 | 6900.00 |
| Town of Sundra Gas Utility | 6 | GAI | 6.75 | Gas Rate | 1.45 | 0.24 | 0.00 | 0.00 | 0.00 | 0.21 | 0.00 | 8.65 | 26.00 | 0.00 | 0.00 | 0.00 | 26.00 | 1500.00 | 0.00 |

| Utility Name | Zone | Wholesale Gas Purchase From | Wholesale Purchase Rate | Location of Variable Rate | Delivery/ Variable Rate (Per GJ) | GAI Variable Rate | Gas Loss Wholesale Price (%) | Gas Loss Charge (%) | Gas Loss Charge (GJ) | System Improvement Fee | Other Charges on the Gas Rate | TOTAL | Monthly Service Charge | Gas Loss Monthly | System Improvement Monthly Charge | Other Monthly Charges | TOTAL MONTHLY | Infill Urban | Infill Rural |
|-------------------------------|------|-----------------------------|-------------------------|---------------------------|----------------------------------|-------------------|------------------------------|---------------------|----------------------|------------------------|-------------------------------|-------|------------------------|------------------|-----------------------------------|-----------------------|---------------|--------------|--------------|
| Blair Country Gas Co-op Ltd. | 7 | GAI | 6.75 | Gas Rate | 1.50 | 0.24 | | | | | | 8.49 | 25.00 | | 5.00 | | 30.00 | 0.00 | 0.00 |
| Cochrane Lake Gas Co-op Ltd. | 7 | GAI | 6.75 | Gas Rate | 1.83 | 0.24 | 2.00 | 0.00 | | 0.00 | 0.00 | 8.96 | 29.50 | 0.00 | 0.00 | 0.00 | 29.50 | 4900.00 | 8500.00 |
| Dinosaur Gas Co-op Ltd. | 7 | GAI | 6.75 | Gas Rate | 1.50 | 0.24 | | | | | | 8.49 | 39.00 | | | | 39.00 | 4500.00 | 8000.00 |
| Harvest Hills Gas Co-op Ltd. | 7 | GAI | 6.75 | Gas Rate | 1.60 | 0.24 | | | | | | 8.59 | 25.00 | | | | 25.00 | 3500.00 | 8000.00 |
| Meota Gas Co-op Ltd. | 7 | GAI | 6.75 | Gas Rate | 1.60 | 0.24 | | | 0.04 | | | 8.63 | 33.00 | | | | 33.00 | 6000.00 | 8000.00 |
| Pioneer Gas Co-op Ltd. | 7 | GAI | 6.75 | Gas Rate | 1.40 | 0.24 | 0.00 | 0.00 | 0.00 | 0.50 | 0.00 | 8.89 | 25.00 | 0.00 | | 0.00 | 25.00 | 6000.00 | 8000.00 |
| Rochyview Gas Co-op Ltd. | 7 | GAI | 6.75 | Gas Rate | 2.00 | 0.24 | 2.50 | | | | | 9.16 | 27.30 | | 5.00 | 0.00 | 32.30 | 3190.00 | 8000.00 |
| Rosebud Gas Co-op Ltd. | 7 | GAI | 6.75 | Gas Rate | 1.30 | 0.24 | 2.00 | | | | | 8.43 | 28.00 | | 4.00 | | 32.00 | 3500.00 | 8500.00 |
| Tirol Gas Co-op Ltd. | 7 | GAI | 6.75 | Gas Rate | 2.00 | 0.24 | | | | | | 8.99 | 25.00 | | | | 25.00 | 0.00 | 0.00 |
| Bow River Gas Co-op Ltd. | 8 | GAI | 6.75 | Gas Rate | 1.60 | 0.24 | | | | | | 8.59 | 45.00 | | | | 45.00 | 4000.00 | 8000.00 |
| Chief Mountain Gas Co-op Ltd. | 8 | GAI | 6.75 | Gas Rate | 1.95 | 0.24 | 0.00 | 0.00 | 0.00 | 0.50 | 0.00 | 8.84 | 12.00 | 0.00 | 0.00 | 0.00 | 12.00 | 3000.00 | 7500.00 |
| Chinook Gas Co-op Ltd. | 8 | GAI | 6.75 | Gas Rate | 1.65 | 0.24 | 2.00 | 2.00 | | | | 8.81 | 26.00 | | | | 26.00 | 0.00 | 8000.00 |
| Forty Mile Gas Co-op Ltd. | 8 | GAI | 6.75 | Gas Rate | 1.31 | 0.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.30 | 34.00 | 0.00 | 0.00 | 0.00 | 34.00 | 4000.00 | 8000.00 |
| Little Bow Gas Co-op Ltd. | 8 | GAI | 6.75 | Gas Rate | 1.20 | 0.24 | | 2.00 | | | | 8.21 | 15.00 | | | | 15.00 | 8000.00 | 8000.00 |
| Sunshine Gas Co-op Ltd. | 8 | GAI | 6.75 | Gas Rate | 1.10 | 0.24 | 2.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.23 | 25.00 | 0.00 | 0.00 | 0.00 | 25.00 | 2000.00 | 6500.00 |
| Triple W Gas Co-op Ltd. | 8 | GAI | 6.75 | Gas Rate | 1.50 | 0.24 | | | | | | 8.49 | 30.00 | | 5.00 | | 35.00 | 3000.00 | 8000.00 |

Average Utility Variable Rate = 1.65

Average Total Per GJ Rate = 8.74

Average Total Monthly Charge = 27.26



If you can't read this email, please [view it online](#)

Board to Board

July 2022

Training Needs Assessment Survey

The deadline for the Training Needs Assessment Survey has been extended.

The Federation is looking to receive them from utilities by July 22. The survey is online and can be found at <https://forms.gle/HY3zrrc8rfz2PBXaA>. If you have already filled it out, thank you very much!

Every year, this survey helps the Federation define what courses are required for the next training season. It allows the Federation to properly plan and schedule for the season, and it allows for a look at what else could be done, or what may no longer be required. Participation by utilities in the survey is essential for maintaining a quality training program.

We encourage all utilities to participate in the [Training Needs Assessment Survey](#) by July 22.



Golf Classic Takes Swing!



The Federation Charity Golf Classic is ready to swing after a two year hiatus!

The Annual Classic takes place at the Goose Hummock Golf Resort on August 18 where we hope to increase our lifetime total raising money for the Multiple Sclerosis Society of Canada, Alberta and Northwest Territories Division!

If you have not registered and would like to join us, please register at <https://www.fedgas.com/golf/>.

Goose Hummock has renovated their property and now boasts a RV park. Any golfers that want to bring up their trailer, give the course a call and tell them you're golfing at the Federation Charity Golf Classic.

Over the past 15 years, this partnership between FedGas and the Alberta Federation of Rural Electrification Associations has raised over \$365,000 for Multiple Sclerosis programs and education specifically in rural Alberta communities. Click Here for the [2021 MS Rural Impact Report](#) for a summary of what the MS Society has been able to do with the funds from the Classic.

Restricted Tickets for Secondaries Granted

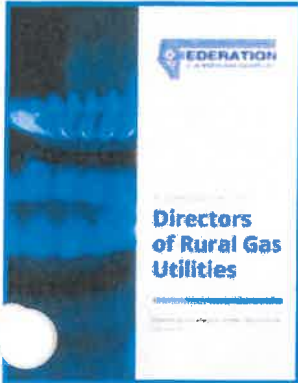
Federation Gas Utility Operators are now able to pull permits to construct secondary gas lines for customers.

This change was announced at the Federation's June Members Meeting, and it only applies to Gas Utility Operators working for a Federation Member Utility.

Alberta Municipal Affairs granted a restricted ticket for Gas Utility Operators to pull permits and install secondary gas line installations. It recognizes that as a Gas Utility Operator, that person has the qualifications acceptable to the provincial administrator for the gas discipline for the installation of these lines. A permit may be issued to an employee of a Federation Member Utility that has:

- Successfully completed training for a gas utility operator course
- Holds a certificate indicating current status as a gas utility operator
- Clearly identifies the scope of installation does not extend beyond the secondary services, and;
- Ensures that the gas service is not energized until there is evidence of a permit for future downstream work.

Directors Handbook Re-Done



The new Directors Handbook is now available.

The rewrite and redesign of the Handbook was completed this Spring. A copy was handed out to each utility that attended the June Members Meeting.

Over the summer, a custom binder will be mailed out to each utility to be able to have a physical copy of the Handbook (the custom binders are on order and we are waiting for them to arrive!).

Going forward, the Handbook will only be available digitally from the [Federation website](#). As well, the Board has committed to reviewing and updating (as necessary) the Handbook on an annual basis.

Natural Gas Rebate Program Starts October 1

Alberta has officially announced the launch of the Natural Gas Rebate Program.

The Natural Gas Rebate Program will be in place from October 1, 2022 to March 30, 2023. All natural gas utilities will be expected to credit customers on a monthly basis for the rebate announced for any given month (if the rebate is applicable). [Click here for the official press release.](#)

The understanding of the program is that the Province will request from all utilities an estimate at the beginning of the month for the total rebate to be given to its customers based on the announced rebate amount. After processing, the Province intends to reimburse utilities for that estimated amount by mid-month so that utilities are not having to front the rebate. At the next month, there would then have to be a true-up of actual rebates given.

The trigger price will be based on \$6.50/GJ, and based on the filings by the regulated utilities (APEX and ATCO/DERS). If one of these goes above the trigger price when they file their monthly rates with the Alberta Utilities Commission, the rebate will go into effect for the amount above the trigger price. So if, for example, a filing comes in at \$7.50/GJ, all natural consumers in Alberta with estimated annual consumptions of below 2,500 GJ will be given a \$1/GJ rebate for that month.



FedGas Staffing Announcement

The Federation welcomes Jayne Walker to its office!



Jayne joins the Federation this month as its new Grants and Easements Co-ordinator. She brings with her many years of experience with gas co-ops, coming to the Federation from TRL Gas Co-op where she was the Office Administrator.

Jayne's role is to work with Grants and Easements Administrator Marie Chornohus on assisting utilities with getting easements placed or land titles work related to utilities, as well as to assist utilities with the Rural Gas Grant Program applications. She can be reached at jwalker@fedgas.com.

Please join us in welcoming Jayne!

Jayne takes over from Dawn Dietz who has moved into a new role with the Federation as the O&M Program Administrator.



Fall Zone Meetings

Fall Zone Meeting dates have been set. They are:

- Zone 2 – October 20
- Zone 1 – October 21
- Zone 8 – October 24
- Zone 7 – October 25
- Zone 6 – October 26
- Zone 3&4 – October 27
- Zone 5 – October 28

Zone meetings typically start at 10 a.m. A formal schedule with locations and times will be distributed.

Let's Hear From You!

If your Utility has an article or photo you would like to submit, send it to kcrush@fedgas.com. Articles may be edited for length or content.

Daniel Moric

From: officeadmin <officeadmin@gasalberta.com>
Sent: July 4, 2022 2:39 PM
To: officeadmin
Subject: Gas Alberta Inc. - Director Nomination Request
Attachments: 2022 Director Nomination Request.pdf

Dear Valued Shareholder,

Attached is Gas Alberta Inc.'s annual request regarding Director Nominees for the Company's AGM to be held November 29, 2022. All completed Director Nomination Forms and related information must be returned to Gas Alberta by **5:00 PM on August 26, 2022.**

If you have any questions, please contact me directly at (403) 509-2601 or Denis Dubrule at (780) 910-5747.

Thank you,
Paul Dunsmore

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.

 Please consider the environment before printing this e-mail



July 4, 2022

To: Gas Alberta Inc. Shareholders

Re: DIRECTOR NOMINEES

Gas Alberta Inc.'s annual meeting to elect Directors and conduct other business will be held at 5:00 p.m. on Tuesday, November 29, 2022 at the Radisson Hotel South in Edmonton. The purpose of this request is to seek candidates to serve on the Company's Board of Directors.

The following Directors currently serve on Gas Alberta's Board:

| Directors | Representing | Election Term |
|--------------------------------|----------------------|---|
| Michelle Gallagher, Len Spratt | Class A Shareholders | Three-year term expires November 29, 2022 |
| Allen Dietz, Terry Holmes | Class A Shareholders | Three-year term expires November 2023 |
| Delbert Beazer, Denis Dubrule | Class A Shareholders | Three-year term expires November 2024 |
| Perry Ellis, Jack Goodall | Federation | Appointed annually by the Federation |

At this year's annual meeting, Class A shareholders will elect two Directors for three-year terms. Michelle Gallagher and Len Spratt have indicated that they will be seeking re-election at this annual meeting.

The attached Director Nominee Information outlines the procedures for candidates to follow in submitting their nominations to serve on Gas Alberta's Board. Each candidate must also complete a skills self-assessment, which will be followed up by an interview with the Company's Nominating Committee. The candidates' agreed-upon self-assessments will be summarized in the Advance and Final Management Information Circulars to assist shareholders with their voting decisions.

Completed Director Nomination forms and related information must be returned to Gas Alberta by 5:00 p.m. on August 26, 2022.

If you have any questions regarding the Company's nomination process, please contact the undersigned at (780) 910-5747, or Paul Dunsmore, President and CEO of Gas Alberta Inc., at (403) 509-2601.

Regards,

Denis Dubrule
Nominating Committee Chair



Gas Alberta Inc.

DIRECTOR NOMINEE INFORMATION

For the Annual Meeting of Shareholders to be held November 29, 2022

CONTENTS

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The purpose of this document is to provide information for candidates interested in serving on the Board of Directors for Gas Alberta Inc. (the Company), including the Board's structure, director qualifications and responsibilities, skills self-assessment form and the process for submitting nominations.

This document has been approved by the Board in advance of forwarding the Company's Advance Information Circular to shareholders in September 2022.

SECTION I – BOARD STRUCTURE

i. How is Gas Alberta Inc.'s Board structured?

Gas Alberta Inc.'s Board of Directors is a governing body that is elected by the Company's shareholders to represent their interests in the Company. The Board consists of eight directors; six are elected by the Company's Class A shareholders for three-year terms, and two are appointed annually by the Federation of Alberta Gas Co-ops (the Federation) for one-year terms. Notwithstanding their appointment, directors appointed by the Federation and confirmed by shareholders act as directors of the Company and must act in the best interest of the Company. Directors also serve on either the Governance Committee or the Audit Committee and have the opportunity to serve on the ESG Committee. All Committees report to the Board. The Nominating Committee reports to the Governance Committee and may present information at Board meetings regarding the status of the Company's director nomination process.



ii. What are the Board's main responsibilities?

The Board implements and maintains sound corporate governance practices and establishes policies and procedures that protect shareholder interests, such as:

- hiring, training and guiding the President and CEO;
- identifying principal risks and establishing policies to manage those risks;
- ensuring the integrity of the Company's internal controls and management information systems;
- reviewing and approving annual business plans;
- reviewing and approving financial and operating statements;
- developing effective communications policies;
- guiding the strategic direction of the Company, and
- representing the Board at meetings with shareholder customers and other stakeholders.

iii. Board Committees

Each year, the Board appoints directors to serve on its Audit, Governance, Nominating and ESG Committees to undertake various duties on behalf of the Board. The Board establishes the terms of reference for these Committees and may form other committees during the year as needed.

The Governance Committee ensures that proper corporate governance policies and practices are in place within Gas Alberta. The mandate of this Committee includes maintaining an effective process for nominating and electing Board members, assessing overall performance of the Board and its Committees, evaluating management performance and reviewing compensation for directors and the President and CEO.

The Nominating Committee reports to the Governance Committee and is comprised of the Board Chair, and either the Governance Committee Chair or the Audit Committee Chair. The third position is filled by other Directors. Directors seeking re-election to the Board are not eligible to serve on the Nominating Committee. The mandate of this Committee is to ensure that appropriate skill sets are maintained on the Board and to administer the director nomination and election process.

The Audit Committee reviews the Company's financial reports, internal controls, year-end audit results and financial risk policies. This Committee makes recommendations to the Board regarding various financial matters and performs a central role in maintaining strong communication between directors, management and the Company's external auditor.

The ESG Committee fulfills the oversight, risk management and strategy development responsibilities in relation to ESG matters. ESG matters are those that have an impact on the natural environment, on relevant social groups, and on the ethical conduct of the Company's business. Gas Alberta is committed to stewardship in a variety of ESG areas, including climate change, employee and stakeholder relations, community engagement, and business code of conduct.

SECTION II – DIRECTOR QUALIFICATIONS AND RESPONSIBILITIES

i) What are the eligibility requirements for directors?

The following description is included in Gas Alberta's Corporate Bylaws, and it outlines the eligibility requirements for Company directors. The Company has the right to verify a candidate's qualifications and eligibility for becoming a director.

4.2 Qualification/Eligibility

No person shall be qualified or eligible for election as a director if they are:

- a) anyone who is less than 18 years of age;
- b) anyone who
 - i) is a represented adult as defined in the Adult Guardianship and Trusteeship Act or is the subject of a certificate of incapacity that is in effect under the Public Trustee Act,
 - ii) is a formal patient as defined in the Mental Health Act,
 - iii) is the subject of an order under the Mentally Incapacitated Persons Act, RSA 1970 c232, appointing a committee of the person or estate, or both, or
 - iv) has been found to be a person of unsound mind by a court elsewhere than in Alberta;
- c) a person who is not an individual;
- d) a person who has the status of bankrupt;
- e) a person who has been convicted of an indictable offence;
- f) a person who is, either individually or in partnership, or in conjunction with any other person or persons, firm, association, syndicate, company or corporation or corporation as principal, agent, shareholder, officer, employee, lender, guarantor or in any other manner whatsoever directly or indirectly, employed or engaged in, concerned with, or interested in or with, provides financial support by way of loan or guarantee or otherwise, or permits their name or any part thereof to be used or employed by any person, firm, association, syndicate, principal business or undertaking which is similar to and in competition with the Corporation's principal businesses, which includes, but is not limited to, the gas purchase, sale and exchange business, the gas brokerage business or the gas marketing business or if they are a principal, agent, officer, employee, or director of a utility company or a pipeline transmission company.*

A director need not be a shareholder.

A majority of the directors shall be resident Albertans.

* For certainty, utility company does not include shareholder utilities.

ii) What qualifications are needed to serve on Gas Alberta's Board?

Desirable skills and experience for serving on the Board are summarized in Attachment 2 ("Director Nominee Self-Assessment") under the following categories: governance skills, business knowledge, technical skills and personal attributes. Each category contains a list of primary duties and responsibilities, along with a scale on which candidates can rate their skills and experience.

Candidates will be interviewed by the Company's Nominating Committee, which will involve discussions of each candidate's self-assessment ratings and other areas considered important in serving on the Board and its Committees. The self-assessment ratings, which have been agreed upon by candidates and the Nominating Committee, will be included in the Company's Advance and Final Information Circulars to assist shareholders in their voting decisions.

iii) Board Diversity

The Board endeavours to achieve best practices for corporate governance and recognizes the value of diversity in discussing issues and making effective decisions. We encourage diversity on our Board with respect to age, gender, background, industry and governance experience, and other technical and management skills. While the Board promotes an environment that encourages qualified candidates to run for our Board, the final decision on electing directors is the responsibility of our shareholders.

iv) Director Orientation and Continuing Education

New directors are given an orientation program, including the Board Handbook that provides a thorough understanding of the Company's business and corporate governance practices.

The Company is committed to continuing education for all directors, such as formal training regarding various governance matters that conform to best practices in industry. Directors are encouraged to enroll in courses and seminars to assist them in carrying out their responsibilities while serving on the Board.

v) What is the time commitment for serving on the Board?

On average, directors attend a total of approximately ten to twelve Board or Committee meetings per year. The time commitment for these meetings, including preparation and travel time, is approximately two to three days per meeting. Directors are expected to thoroughly review their information packages prior to each meeting and actively participate in Board and Committee discussions. Meetings are normally held at the Company's office in Calgary, or by video conference.

vi) Where can I get additional information?

The members of the Nominating Committee can be contacted for further information regarding the director nomination process:

| Director | Phone | Email |
|---|--------------|--|
| Denis Dubrule, Audit Committee Chair | 780-910-5747 | ddubrule@gasalberta.com |
| Allen Dietz, Governance Committee Chair | 403-742-9610 | adietz@gasalberta.com |
| Delbert Beazer, Director | 403-849-0311 | dbeazer@gasalberta.com |

SECTION III – DIRECTOR NOMINATION INSTRUCTIONS

vii) Nomination and election timeline

| Task | 2022 |
|--|----------------|
| Return completed Director Nomination forms to Gas Alberta. | Jul 4 – Aug 26 |
| Director Nominees interviewed by Nominating Committee. | Aug 29 – Sep 2 |
| Advance Information Circular distributed to shareholders. | September 5 |
| Final Information Circular, with Proxy and Ballot form, distributed to shareholders. | November 1 |
| Return completed Proxy and Ballot forms to Gas Alberta. | Nov 1 - 29 |
| Director election results announced at the Company’s annual meeting. | November 29 |

The purpose of the Advance Information Circular is to provide shareholders with adequate time to evaluate the director nominees. The Final Information Circular provides Proxy and Ballot forms for shareholders to vote on director nominees and other Company business.

viii) Nomination of candidates

We ask that shareholders nominate qualified candidates by completing the Director Nomination Form (Attachment 1) as follows:

- Three nominators are required to nominate a candidate. Nominators must be directors, councilors, officers or delegates of Gas Alberta’s shareholder organizations.
- Nominees must sign the Director Nomination Form to indicate acceptance of their nomination and that they comply with the qualifications and eligibility requirements for director nominees as outlined in Section II of this document.
- Include a one-page profile with the Director Nomination Form that includes the following information:
 - Nominee’s name, address and phone number;
 - Nominee’s occupation, business or employment (current or previous);
 - Number of Gas Alberta’s Class A shares that are directly or indirectly owned by the Nominee, or over which the Nominee may control or exercise direction, and
 - Nominee’s direct or indirect material interests, including associates or affiliates, in any transaction since October 1, 1998, that has or may materially affect Gas Alberta.
- Include a picture of the Nominee.
- Attach the completed Director Nominee Self-Assessment Form (Attachment 2).
- Include a recent (within the last 6 months) Criminal Record Check. Any fees associated with obtaining a Criminal Record Check will be reimbursed by Gas Alberta (please include a receipt).
- Include any additional nomination comments for publication in the Company’s Management Information Circular.

ix) Candidate interviews

After all nominations have been received by the Company, candidates will be interviewed by the Company's Nominating Committee to discuss each candidate's profile and agree upon self-assessment ratings. The candidates' profiles and agreed-upon self-assessment ratings will be included in the Advance and Final Information Circulars to assist shareholders in electing qualified individuals to serve on Gas Alberta's Board.

The Nominating Committee will contact all candidates to arrange interview times. Candidates will be reimbursed for travel and lodging expenses to attend these interviews.

x) Closing date for nominations

Completed Director Nomination forms and related documents must be received by Gas Alberta by 5:00 p.m. on August 26, 2022.

ATTACHMENT 1: DIRECTOR NOMINATION FORM

For the annual meeting on November 29, 2022

| | | |
|--|------------------|-------------|
| We, the undersigned, nominate | | |
| <hr/> | | |
| to stand for election to the Board of Directors of Gas Alberta Inc. (the Corporation). | | |
| <u>NOMINATORS (please print)</u> | <u>SIGNATURE</u> | <u>DATE</u> |
| 1. <hr/> | <hr/> | <hr/> |
| 2. <hr/> | <hr/> | <hr/> |
| 3. <hr/> | <hr/> | <hr/> |

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

A conflict of interest occurs when an individual's private interest interferes, or appears to interfere, in any way with the interests of the Corporation. Individuals being considered for nomination as a Director of the Corporation must disclose in writing all interest and relationships of which the Nominee is aware of at the time of consideration that will or may give rise to a conflict of interest. If such an interest or relationship should arise while the individual is a director, the individual must make immediate disclosure of all relevant facts to the Corporation's Board of Directors. For further information, director nominees may request a copy of Gas Alberta Inc.'s policy titled Code of Business Conduct and Ethics.

If the Board of Directors is making a decision that may result in a benefit to a director's private interests, the director shall withdraw from the deliberations altogether. Disclosure may alleviate a conflict of interest or allow the Corporation to appropriately avoid a potential conflict. However, a conflict may be so significant as to only be resolved by the director's resignation from one or more of the conflicting positions.

I comply with the "Disclosure of Potential Conflicts of Interest" above, and the "Qualifications and Eligibility" requirements for Director Nominees as outlined in Section II of this document.

I accept the nomination to the Board of Directors of Gas Alberta Inc.

DIRECTOR NOMINEE'S SIGNATURE

DATE

RETURNING COMPLETED FORMS

All completed Director Nomination Forms and related information must be received at Gas Alberta Inc.'s office by 5:00 p.m. on August 26, 2022 by one of the following delivery methods:

By mail: Gas Alberta Inc.
(Attn: Allison Moller)
Suite 350, 2618 Hopewell Place NE
Calgary, Alberta T1Y 7J7

By email: amoller@gasalberta.com

By fax: 403-509-2611
Attn: Allison Moller

ATTACHMENT 2: DIRECTOR NOMINEE SELF-ASSESSMENT

For the annual meeting on November 29, 2022

Director Nominee: _____

Date: _____

| |
|---|
| RATINGS O = Outstanding E = Exceeds expectations C = Competent N = Needs improvement |
|---|

- INSTRUCTIONS: 1) Rate your skills based on the descriptions provided.
 2) Enter comments after each item to support your rating.

| | | X | RATING | RATING GUIDELINES |
|-----------------------------|-----------------------|--|---------------------------|---|
| I. GOVERNANCE SKILLS | | | | |
| 1) | Formal board training | <i>A record of continued professional development and formal training in board and governance matters.</i> | | |
| | | | O | Hold a designation from the Institute of Corporate Directors (ICD), along with extensive governance experience. |
| | | | E | Formal board training (other than ICD), extensive experience in governance matters, continued governance education. |
| | | | C | Formal board training (other than ICD), proven experience in governance matters. |
| | | N | No formal Board training. | |
| | comments: | | | |

| | | | |
|----|---|--|---|
| 2) | Executive recruitment and succession planning | <i>Experience understanding human resource, personnel and other considerations for executive recruitment and compensation structures.</i> | |
| | | O | Extensive experience developing and implementing executive recruitment and compensation structures. |
| | | E | Proven experience overseeing executive recruitment and compensation structures. |
| | | C | Basic understanding of executive recruitment and compensation structures. |
| | | N | No experience with executive recruitment and compensation structures. |
| | comments: | | |
| 3) | Strategic planning and focus | <i>Experience with planning, evaluation and implementation of strategic plans, including a demonstrated ability to focus on longer-term goals and strategic outcomes, as separate from day-to-day management and operational experience.</i> | |
| | | O | Extensive experience preparing and implementing strategic plans. |
| | | E | Proven experience reviewing and evaluating strategic plans. |
| | | C | Basic understanding of an organization's strategic planning process. |
| | | N | No involvement in strategic planning activities. |
| | comments: | | |

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| 4) | Risks and compliance | <i>Ability to identify key risks in an organization's primary operations and ensure that management has implemented appropriate systems and policies to manage these risks.</i> | |
| | | O | Specialized risk training and extensive experience in risk identification and compliance. |
| | | E | Proven experience with systems and policies to mitigate an organization's risks. |
| | | C | Basic knowledge of systems and policies that mitigate an organization's risks. |
| | | N | No experience with identifying and mitigating risks. |
| | comments: | | |
| 5) | Management performance | <i>Experience in evaluating senior management's performance.</i> | |
| | | O | Extensive experience developing and evaluating senior management's performance structures. |
| | | E | Proven experience evaluating senior management's performance. |
| | | C | Some experience evaluating senior management's performance. |
| | | N | No experience evaluating senior management's performance. |
| | comments: | | |

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| 6) | Organizational management | <i>Experience in monitoring the integrity of internal controls and management reporting processes.</i> | |
| | | O | Extensive experience developing internal controls and management reporting processes. |
| | | E | Proven experience overseeing internal controls and management reporting processes. |
| | | C | Basic understanding of internal controls and management reporting processes. |
| | | N | No involvement with internal controls and management reporting. |
| | comments: | | |
| 7) | Policy development | <i>Ability to identify key issues for an organization and develop policy parameters for an organization's operations.</i> | |
| | | O | Extensive experience identifying an organization's key issues and developing related policy parameters. |
| | | E | Proven experience identifying an organization's key issues and developing related policy parameters. |
| | | C | Some experience discussing and monitoring an organization's key issues and policies. |
| | | N | No involvement with identifying an organization's key issues and policies. |
| | comments: | | |

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| 8) | Other board experience | Experience in serving on boards and a good understanding of corporate governance practices. | |
| | | O | Extensive experience serving on multiple boards. |
| | | E | Proven experience serving on more than one board. |
| | | C | Proven experience serving on a board. |
| | | N | No experience with serving on boards. |
| | comments: | | |
| II. BUSINESS KNOWLEDGE | | | |
| 1) | Business judgement | A broad range of commercial and business experience. | |
| | | O | Extensive leadership roles in commercial and/or business organizations. |
| | | E | Proven experience working for commercial and/or business organizations. |
| | | C | Some experience with commercial and/or business organizations. |
| | | N | No commercial or business experience. |
| | comments: | | |

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| 2) | Natural gas industry | <i>Experience and knowledge of the gas supply network from suppliers to consumers.</i> | |
| | | O | Extensive operational experience working with a natural gas utility. |
| | | E | Proven experience in key areas of the gas supply network. |
| | | C | Basic understanding of the gas supply network. |
| | | N | Limited knowledge of the gas supply network. |
| | <i>comments:</i> | | |
| 3) | Gas management | <i>Understanding of natural gas trading activities using physical and financial products.</i> | |
| | | O | Extensive experience with natural gas or commodities trading. |
| | | E | Proven experience with natural gas or commodities trading. |
| | | C | Basic understanding of natural gas or commodities trading activities. |
| | | N | Very limited understanding of natural gas trading activities. |
| | <i>comments:</i> | | |

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| 4) | Stakeholder relations | <i>Experience with an organization's stakeholder relations, which involves interactions, negotiations and consensus-building.</i> | |
| | | O | Extensive experience with stakeholder relations. |
| | | E | Proven experience with stakeholder relations. |
| | | C | Some experience with stakeholder relations. |
| | | N | No experience with stakeholder relations. |
| | comments: | | |
| III. TECHNICAL SKILLS | | | |
| 1) | Internal controls | <i>Understanding of the proper application of internal controls within an organization.</i> | |
| | | O | Extensive experience developing, implementing and monitoring an organization's internal controls. |
| | | E | Thorough understanding of an organization's internal controls to mitigate risks. |
| | | C | Basic knowledge of internal controls required for an organization. |
| | | N | Limited experience with internal controls. |
| | comments: | | |

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| 2) | Financial reporting | <i>Understanding of financial reports in order to assess an organization's financial performance and viability.</i> | |
| | | O | Extensive experience assessing an organization's financial reports for performance and viability. |
| | | E | Proven experience assessing an organization's financial reports for performance and viability. |
| | | C | Basic understanding of financial reports. |
| | | N | No understanding financial reports. |
| | comments: | | |
| 3) | Business planning | <i>Experience in developing and overseeing budgets and forecasts.</i> | |
| | | O | Extensive experience preparing budgets and forecasts. |
| | | E | Proven experience evaluating and approving budgets and forecasts. |
| | | C | Basic understanding of the budgeting and forecasting process. |
| | | N | No experience with budgets and forecasts. |
| | comments: | | |

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| 4) | Auditing requirements | Knowledge of the auditing requirements and processes for an organization. | |
| | | O | Actively involved with accounting staff and auditors in planning and carrying out audits. |
| | | E | Oversee the accounting and audit processes for year-end audits. |
| | | C | Basic knowledge of year-end accounting and audit requirements. |
| | | N | Limited knowledge of year-end accounting and audit. |
| | comments: | | |
| 5) | Formal financial training | Completion of financial courses or seminars. | |
| | | O | Hold an accounting designation. |
| | | E | Completed multiple financial courses. |
| | | C | Attended financial seminars. |
| | | N | Have not taken any financial courses or seminars. |
| | comments: | | |

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| 6) | Information technology | Knowledge and experience in the strategic implementation and use of information technology within an organization. | |
| | | O | Direct involvement with planning and implementation of an organization's information technology. |
| | | E | Understanding of strategic implementation and utilization of an organization's information technology. |
| | | C | Basic understanding of information technology within organizations. |
| | | N | No knowledge of an organization's information technology requirements. |
| | comments: | | |
| IV. PERSONAL ATTRIBUTES | | | |
| 1) | Interpersonal skills | Ability to effectively interact with others. | |
| | | O | Regularly assume a leadership role in groups or committees. |
| | | E | Extensive experience as a member of groups or committees. |
| | | C | Experience working within groups or committees as required or requested. |
| | | N | Limited experience with groups or committees. |
| | comments: | | |

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| 2) | Communication skills | <i>Ability to present information and listen effectively in small and large groups.</i> | |
| | | O | Extensive experience in regularly presenting to small and large groups. |
| | | E | Occasionally present to small and large groups. |
| | | C | Experience as an active participant in small and large groups. |
| | | N | Limited experience interacting with small and large groups. |
| | comments: | | |
| 3) | Teamwork | <i>Experience serving on an organization's teams or committees.</i> | |
| | | O | Extensive experience in leadership roles on an organization's teams or committees. |
| | | E | From five to ten years' experience in serving on an organization's teams or committees. |
| | | C | Some experience in serving on an organization's teams or committees. |
| | | N | No experience serving on an organization's teams or committees. |
| | comments: | | |

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| 4) | Leadership | <i>Experience serving as the Chair of a board or committee/ or other equivalent leadership position.</i> | |
| | | O | Extensive experience serving as the Chair of a board or committee, or equivalent position. |
| | | E | Proven experience serving as the Chair of a board or committee, or equivalent position. |
| | | C | Some experience serving as the Chair of a board or committee, or equivalent position. |
| | | N | No experience serving as the Chair of a board or committee. |
| | <i>comments:</i> | | |