

MEMORANDUM



Date: February 18, 2026

To: CRN Board

From: Gene Sobolewski, C.E.T.

Subject: COFS/Strathcona Sub-Committee – Admin. Report

The sub-committee dealing with the withdrawal requests from Strathcona County and the City of Fort Saskatchewan (CoFS) met on February 09.

The sub-committee made the following motion:

SUB-26-02-002

That the Commission manager prepare an analysis of rates using the AUC template, and satisfying the six principles (AWWA, M-1) objectives as discussed by the sub-committee, with the scenarios of the City of Fort Saskatchewan being a member and withdrawing the Commission (with and without), for the next sub-committee meeting.

An administrative meeting was then held on February 13, to discuss the motion to ensure that there is common understanding of the CoFS position.

The following rate methodology was developed based on work to date and outstanding issues. CoFS commented that he preference would be to utilize the premise of a uniform rate recognizing that there are elements of the AUC requirements in the methodology.

- 1) **Water Purchase Adder:** The adder (rate) for the purchase of water would be based on share of total consumption by the City of Fort Saskatchewan. The unit is based on volume used (\$/m³). The EPCOR rate (measured at the NSMV) and the Strathcona rate (Measured at the SSMV). The rate would be blended based on total cost and total volume purchased.
- 2) **Administration Cost Adder:** The adder for the apportioned share of the CRN administrative costs would be based on share of total consumption by the City of Fort Saskatchewan. The unit is based on volume used (\$/m³) as recorded at the meters.
- 3) **Operations Cost Adder:** The adder unit is based on volume used (\$/m³) for operational costs would be based on the methodology described by the AUC whereby the calculation is a function of:
 - a. The asset(s) required to provide service to CoFS, and,
 - b. The share of total operating costs assigned to the asset (expressed as %), and,
 - c. The total allocation (expressed as %) of water (capacity) to the CoFS, which is then multiplied by the asset share (above).
- 4) **Future Capital Reserve Contribution Adder:** The future capital is based on the projected 25 year capital budget forecast. The only two projects are the 2nd river crossing to supply CoFS and possible PCCP pipe replacement. This is the only item where additional information/direction is required to be provided by the CRN Board and the CoFS. The two options available are:
 - a. An asset based approach, or capital cost share by benefit. This was shown as Option A in the 2026 Capital Budget.
 - b. An “all for one, one for all”, or all share approach. The future capital contributions are based on the basis of allocation (as a percentage of the total). This was shown as Option B in the 2026 Capital Budget.

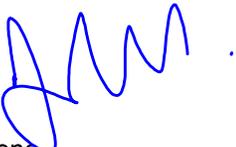
The intention would be that the methodology would be agreed within the framework of a WSA (Water supply agreement) where the details of the adder rates would be clearly identified and understood by both parties.

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The next step for the Commission Manager to populate the adders with anticipated rates, estimated for 2027, which will include the scenarios:

- i) CoFS continuing to be a voting member of CRN
- ii) CoFS withdrawing from the CRN as of January 2027.

One consideration the CRN Board may wish to pursue further is having discussions with Strathcona County to negotiate a "preferred" rate for the continued supply of water to CoFS through the South pipe. In 1980, the system was designed for a "twinning" supply to CoFS from the north and south pipelines. In the latter part of 2022 and 2023, it appears that this important feature was ignored by the CRN. The reality today is that as the Bremner area grows, the supply volume to CoFS (and use of the pipe as redundancy) will diminish over time, however in the interim will allow the absolute need for the river crossing to be deferred. At the moment, the VCB (variable consumption benefit) balance is \$1,048,402. The rate charged through this process is \$0.30/m³, which averages to about 24 months of supply using that rate. Use of the southside pipe could defer the need for a river crossing to between 10 to 15 years, depending on growth. Alternatively, using a strict feed from the northside pipe, the need for a river crossing could be between 5 to 10 years, depending on growth.



Gene



Request for Decision (RFD)

Meeting Date: Monday, February 23, 2026

Agenda Item: 7a

Topic: PCCP Pipe Repair – Leak #2 Update

Presented By: Commission Manager

Recommendation:

That the Board approve Option #1 as the preferred method to monitor the leak and direct the Commission Manager to make arrangements for the construction of the perched Manhole at the Insertion site northeast of the NSMV and for the limited Smartball inspection of the 900 mm pipe in the spring of 2027.

Background:

The CRNWSC made preparations to specifically locate the leak and undertake a repair during the week of February 09 to 13. The 2021 and 2025 Smartball reports showed acoustic indicating that there were small leaks present at the vertical bend and the blow-off flange on the 900 mm PCCP at the location of the ravine south of Hwy 15.

On Friday morning, February 06, a hydrovac was mobilized to begin the search for the specific location of the leak(s). By the afternoon, the conditions onsite were difficult for the hydrovac unit to continue to traverse the landowner's field (to empty their tank) without substantial damage to the area. The joints at the blowoff and the joint above the leak were examined and the pits were dry, with no evidence of leaking. The hydrovac resumed operation on Monday, February 09 and Tuesday, February 10 to continue to expose the pipe joints and vertical bend at the bottom of the ravine.

The Blowoff location was firstly reviewed because the CRN wanted to ensure that the integrity of the blowoff joints and bolts were intact and not leaking as per the 2021 report as this blowoff was critical to refilling the pipe. We noted the frost depth to be approximately 8" due to the snow cover at this location.

After extensive excavation and probing over 2.5 days, particularly at the bend joints and thrust block, the CRN could not find the source of the leak. Based on the opinion of our engineer, operator and conditions observed at the site, we could not find substantive evidence of the presence of a leak and concluded that the leak may not be present at that location as identified in the Pure Technologies - Smartball Report.

Pure Technologies subsequently reviewed their data and records and confirmed that the acoustic signature demonstrated a small leak at the location of the vertical bend. The Bend is completely encased within concrete, however Xylem also shared that the leak could be channelling through the thrust block or in the area unexposed by the hydrovac, although there was not any filling or pooling of water (other than the hydrovac residue) at the bottom of the thrust block. During the overnight period, there was not any evidence of the excavations filling with water.

A large portion of the thrust block was exposed, however it was also noted that there was 2 to 3 times more concrete poured than required. The bend, including the joints, are completely encased in concrete. With this large amount of material removed from the thrust block wall (to footing) the operator and contractor felt that there was a small risk that the entire system could shift, causing a catastrophic failure (as the pipe was pressurized), therefore the site conditions were reviewed as necessary, left overnight and then the excavated areas around the thrust block were quickly backfilled with fillcrete to ensure compacted material was placed against the clay and the concrete thrust block.



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Discussion (benefits/disadvantages):

Based on the condition of the site and the acoustic intensity information from Xylem, we believe the leak to be relatively small. The 2021 Xylem report classified a small leak as under 7.5 litres/minute. We believe this leak to be in an order of under 1.0 litre/minute (a drip) because during the overnight period, there would have been 0.5 m3 of water in the hole.

There are three recommendations which can be considered for this leak, as follows:

- 1) The CRN can undertake a limited Smartball inspections of this section of pipe on an annual or bi-annual basis and review the results. The first inspection would be for spring in 2027. The scheduling of the Smartball will coincide with work being done by Xylem with EPCOR to save on mobilization costs. The purpose of the inspection will be to monitor the leak for growing acoustic intensity and other changes. The CRN would construct another perched MH near the insertion point near the NSMV. A R/W agreement will need to be procured for this MH.

Associated Engineering reviewed the risk of failure because of the thrust block moving with their senior engineers. While the consensus is that there is some risk, the likelihood of the thrust block failing because of the leak is low. For the thrust block to shift, the surrounding clay would need to become fully saturated to lose its strength. Based on what was observed in the field, the soil did not appear to be anywhere near that condition. The clays on site looked hard, stiff, and well consolidated, which means they are much less sensitive to moisture and do not weaken easily. In addition, the thrust block itself appears to be significantly larger than the minimum required, which provides an extra margin of safety. This oversized thrust block means the forces from the pipe and bearing weight of the block are spread over a larger area, further reducing the chance of movement. In addition, this leak has been present for at least 7 to 10 years and the clays was observed to be quite stable and dry. The estimated costs for this option in the spring of 2027 (based on the 2025 costs) are:

Sureway Construction:	\$30,000
Xylem (Smartball)	\$80,000
AE	\$2,500
Bear Land	\$5,000
Kana	<u>\$8,000</u>
Subtotal:	\$123,500
Contingency @ 5%	<u>\$6,175</u>
TOTAL:	\$129,675

\$130,000 (plus GST)

- 2) Another option will be to install a small piezo-well point (washed rock and perforated pipe) to physically monitor and observe if the water leak intensity increases and migrates to the surface through the pipe. This option provides near continual observation of the leak site, although winter months are a little more difficult to monitor. The pipe would be installed using a hydrovac, a small diameter perforated pipe and some washed rock. The estimated cost for this work would be under \$20,000.
- 3) Undertake an excavation in the fall to repair the leak by replacement of the bend, thrust block and some of the PCCP pipe pursuant to the repair methodology planned in February. This requires an extensive shutdown of 5 days or more. The estimated cost would be \$430,000.



Request for Decision (RFD)

Option #1 is the recommended course of action.

It is not recommended to undertake another hydrovac undertaking to disturb the thrust block not exposed last week. This will effort is believed to provide a greater risk of a catastrophic failure to further disturbance of the site. The engineer believes that we have sufficient information to be able to move forward and undertake sufficient diligence by monitoring.

Alternatives:

None

Financial Implications:

There is sufficient budget available to undertake this project.

Legislation:

Municipal Government Act (MGA) s. 602.09

Intergovernmental:

N/A

Strategic Alignment:

N/A

Enclosure(s):

Attachments 1.

Signature of the Commission Manager:

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Request for Decision (RFD)

Meeting Date: Monday, February 23, 2026

Agenda Item: 7b

Topic: AUC Submisison Package

Presented By: Commission Manager

Recommendation:

That the Board approve the report for information as presented by the Commission Manger.

Background:

On January 30, 2026, the CRN submitted the attached package pursuant to the AUC Order. The schedules provide the methodology and information required by the AUC for the 2024 adder rate as a True-up. This material is provided for information as per the Board's request. The AUC will now decide if the information is sufficient and approve the true-up or whether they have additional questions requiring further response.

Discussion (benefits/disadvantages):

For information only.

Alternatives:

None

Financial Implications:

There is sufficient budget available to undertake this project.

Legislation:

Municipal Government Act (MGA) s. 602.09

Intergovernmental:

N/A

Strategic Alignment:

N/A

Enclosure(s):

Attachments 1.

Signature of the Commission Manager:

A handwritten signature in blue ink, appearing to be 'JMM', is written over a horizontal line.



CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

January 30, 2025

*E-Filed***Re: Compliance with Decision 29831-D01-2025**

On December 4, 2025, the Alberta Utilities Commission (the “AUC” or the “Commission”) issued Decision 29831-D01-2025 (the “Decision”) in relation to a dispute between Capital Region Northeast Water Service Commission (“CRN”) and John S. Batiuk Regional Water Commission (“JSB”) concerning water rates being imposed by CRN in 2024 and 2025. In the Decision, the AUC made a number of findings regarding CRN’s calculation of water rates and ultimately ordered CRN to submit a compliance filing to the Decision by today’s date with respect to the calculation of the final water rates for the JSB for 2024.¹

CRN respectfully submits the attached calculation of JSB’s final water rates for 2024, including the true-up amount.² The submission includes schedules and a spreadsheet working paper that provide details supporting the calculation of the final water rates, including data and calculations with working formulas that comply with the directions set out within the Decision.

CRN’s submission includes 8 schedules that provide step-by-step calculations of how JSB’s final water rates for 2024 were calculated. While further detail regarding the schedules is provided in **Attachment 1** (Supplemental Details Regarding Schedules), CRN notes that the schedules start with CRN’s 2024 expenses as reported in “Statement of Operations and Accumulated Surplus” included in its 2024 audited financial statements.

The schedules then document a series of calculations that result in the final water rates. The calculations include removing those expenses not allocable to JSB, such as Amortization of Tangible Capital Assets, Interest on Long-Term Debt and contributions to the Future Capital Reserve.

Further, the schedules show separation of 2024 expenses into Administrative and Operating, consistent with Sections 11(a) and 11(b) of the WSA. Operating expenses are further separated into those incurred to provide water service through the Northside pipeline, consistent with Paragraph 102 of the Decision.

Finally, the schedules show derivation of JSB’s share of Administrative and Operating expenses based on their share, respectively, of EPCOR water purchases and pipeline capacity.

¹ Decision 29831-D01-2025 at paragraph 131

² See Paragraph 129 of Decision 29831-D01-2025

The calculations show that JSB's share of CRN's 2024 expenses was \$413,871, consisting of Administrative expenses of \$189,006 and Operating expenses of \$224,865. The calculations also show an additional charge of \$27,910 related to interest on the unpaid balance of JSB's share of 2024 expenses, consistent with Paragraph 116 of the Decision.

In preparing this compliance filing, CRN has undertaken extensive work to address and comply with the directions set out within the Decision. In that respect, please see **Attachment 2** (Summary of Commission Directions) for a summary of the directions set out within the Decision and CRN's responses to each.

CRN submits that the information provided addresses the Commission's requirements with respect to the calculation of water rates for JSB in 2024 and that this filing is compliant with the directions set out in the Decision. CRN is also willing to provide any additional information the AUC may require.

Sincerely,

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION



Gene Sobolewski, C.E.T.,
Chief Executive Officer

Enclosures: CRN Schedules Re. Compliance Filing – PDF
 CRN Schedules Re. Compliance Filing – Excel
 CRN 2024 Audited Financial Statements – PDF

Attachment 1 Supplemental Details Regarding Schedules

The information below provides supplemental details to describe the process used, and information contained within, Schedules 1 through 8 of this compliance filing.

SCHEDULE 1 sets out a 3-step process used to calculate JSB's final water rates for 2024, consistent with the WSA and AUC decision.

The 3-step process is:

1. Allocation of expenses between 11(a) administrative costs and 11(b) operating costs;
2. Functionalization of 11(b) operating costs; and
3. Allocation of 11(a) and 11(b) costs to JSB.

The starting point for Schedule 1 is the 2024 Expenses column:

- The descriptors shown in bold are the expenses as they appear in the 2024 Audited Financial Statement (AFS).
- The other descriptors show the details of the AFS expense.

Step 1

Assigns JSB allocable expenses to:

- a. **11(a) Administrative expenses, consistent with the WSA**
 - Line item 5605 – Contracted Services, \$14,365 were for administrative services related to preparing the 2024 budget for approval to the Board and thus were assigned to Administrative. All other expenses were assigned to Operating.
- b. **11(b) Operating expenses, consistent with the WSA**
 - Line item 5740 – 90% of the total expense represents the power for a meter vault located on Hwy 643 on the Redwater pipe, which is not allocable to JSB.
 - Line item 5740 – 10% of the total expense was allocated as an 11(b) expense. This item is the total power consumed at the Online Station from a single meter. The power is used for all operations systems, lighting, HVAC, alarms and pumping costs. 10% represents approximately \$634 for the power costs excluding the pumping costs. Pumping is used to supply water north of the Online Station.

Step 2

Functionalizes 11(b) Operating expenses to the 5 pipeline systems, consistent with the AUC decision

- a) The 5 pipeline systems are:
 - **Northside pipeline system 900 mm** – Is a water transmission pipe consisting of the north side meter vault, including all valves and control

systems, and 4,188 m of 900 mm PCCP pipe from the Edmonton city boundary to the 750 mm reducer.

- **Northside pipeline system 750 mm** – Is a water transmission pipe consisting of 4,289 m of 750 mm PCCP pipe from the reducer to the Online System.
- **Northside pipeline system Online** – Consists of the 6,800 m³ reservoir and control systems, including the SCADA systems and valve controls. For purposes of allocation of costs to 11(b), the pumping systems are not included as these systems are exclusive to the Zone 3 and Zone 4 systems. The Online Reservoir services JSB and all members and customers exclusive of the City of Ft. Sask.
- **Southside pipeline system** – Is a water transmission pipe which was re-designed and configured in 1980 to operate collectively and in unison with the northside pipe to supply water as a single (twinned) system to supply Online and Ft. Saskatchewan. The southside pipeline consists of the south side meter vault, 10,275 m of 400 mm steel, PVC and AC pipe, including all valves and control systems.

Pursuant to paras. 99, 100 and 101, the water supplied through this pipeline represents 3.3% of the total purchased water supply. Since the north and south system were designed to operate system was designed to flow as a twinned pipe system to supply the Online reservoir, and that in 1980, the meters installed between the North and South meter vaults are at end user locations, measuring the collective flow from the North and South pipeline, as designed.

To calculate JSB's rate, such that all water delivered to the JSB through the southside pipe is accounted for, the total amount of water and operating percentage are integrated into the north pipeline to develop a single rate.

- **Zone 3 system** – serves the towns of Gibbons, Sturgeon County and Bon Accord. The zone 3 system is a water transmission pipe consisting of 4,289 m of 750 mm PCCP pipe. JSB does not benefit from Zone 3 and is not allocated expenses related to Zone 3.
- **Zone 4 system** – serves the towns of Sturgeon County, the Town of Redwater, Hwy 28/63 Regional Water Commission and St. Paul County to the hamlet of Mallaig. The zone 4 system consists of two twinned water transmission lines consisting of a 400 mm PVC and a 300 mm AC pipes totaling 60,445 m in combined length. JSB does not benefit from Zone 4 and is not allocated expenses related to Zone 4.

- b) Expenses were functionalized to each pipeline system based on the Operator's input of their generalized total annual time related to operating

and maintaining the 5 pipeline systems described above. Specifically, the Operator reported in very general terms their level (as a %) of effort to operate and maintain each system, the majority of which relates to the supply of water to the City of Ft Saskatchewan and JSB, through the Online Reservoir and operations control at Online.

In absence of specific and detailed records, the CRN believes the Operator's input offers the best information available to assign operating expenses to the 5 pipeline systems.

Consistent with the earlier discussion regarding the operating characteristics of the Southside pipeline, expenses assigned to the Southside pipeline were apportioned to the 900 mm (49.4%) and 750 mm (50.6%) Northside pipelines based on length.

Step 3

The third step of the process allocated the administrative and functionalized operating expenses to JSB based on, respectively, JSB's share of EPCOR purchases and JSB's share of capacity of the pipeline systems, consistent with the WSA, as shown on Schedule 4, as follows:

- 11(a) Administrative – 33.12%
 - This value calculated on Schedule 3 pursuant to the AUC Order.
 - As shown on Schedule 8, the total water purchased from Clareview (EWSI) is 6,414,576.5 m³.
 - The total water purchased by JSB, as recorded by their meters, is 2,124,634 m³, which is 33.12% of the total purchased.
 - Schedule 8 shows that the CRN sold 145,078 m³ more than what was recorded on the EWSI meters. In 2025 a comprehensive review was undertaken on CRN meters (and the EWSI meters) and while most were in the acceptable range, there were a few which required adjustment as they were beginning to creep out of specification. By July of 2025, the CRN had also corrected a number meter reading and data errors. The CRN also instructed operators to correlate meter readings to be read at the same time. While this anomaly was substantially reduced by the end of 2025, the trend of higher sales versus purchase from the EWSI still persists.

By December 2024, the major meters were within specification and reading a combination of low and high. The bulk of the data and meter errors were eliminated by the December 2024 year-end.
- 11(b) Northside pipeline system 900 mm – 34.11%

- 11(b) Northside pipeline system 750 mm – 55.12%
- 11(b) Northside pipeline system Online – 55.12%
- 11(b) Southside pipeline system – was integrated into the 900 mm and 750 mm and not included in the calculation as per the AUC directions.
- 11(b) Zones 3 and 4 are shown for reference, but not included in the allocation expenses to JSB.

In consideration of Decision 29831-D01-2025, para. 95, the CRN provides the following response.

Regarding the following Commission finding in paragraph 95 of the Decision:

“The expense described as “Strathcona Demand Monitoring Fees” is classified as falling under paragraph 11(a). Based on the description of this expense, the Commission finds that this is not an administrative-type expense but rather an expense specific to Strathcona demand and therefore should fall under paragraph 11(b)”

The CRN agrees that the expense 5670 Strathcona Demand Monitoring Fees should be classified under paragraph 11(b).

Regarding the following Commission finding in paragraph 95 of the Decision:

“The expenses for account 5700 (Telus Corporation: 427-6266), account 5705 (Telus: 998-0171), account 5710 (Telus: 998-3738), account 5715 (Telus: 998-2026), account 5774 (Bell Mobility), and account 5790 (Telus: annual tower/fac) are classified as falling under paragraph 11(b). The Commission finds that unless CRN can assign these costs specifically to a particular pipeline or facility, or explain why they are operational in nature, they should fall under the administrative expenses in paragraph 11(a)”

The referenced expenses are operational in nature as they are related to the SCADA communications system, alarm-auto dialers at specific operations facilities and thus are appropriately assigned as operational expenses.

SCHEDULE 2 sets out the Operator’s assessment of their time related to operating and maintaining the 5 pipeline systems that is used to assign Operating expenses to each pipeline system. With the integration of the Southside pipeline into the Northside pipeline, as explained above, the Southside pipeline expenses are assigned to the 900 mm and 750 mm pipelines based on their lengths.

SCHEDULE 3 sets out the calculation of the allocator used to allocate to JSB 11(a) Administrative costs per 102(iv) based on actual volume purchased by the CRN and JSB’s share pursuant to their meter readings.

SCHEDULE 4 sets out the calculation of the capacity factors for the 900 mm and 750 mm Northside pipeline systems, the Online Reservoir, Zone 3 and Zone 4. The Southside pipeline expenses, as explained above, have been integrated into the Northside pipelines.

SCHEDULE 5 sets out the calculation of interest charges, consistent with the AUC decision and AUC Rule 23, 3(3).

SCHEDULE 6 sets out calculations consistent with Paragraphs 102(iv) and 102(vi) through to 102(ix) of the Decision.

SCHEDULE 7 sets out the lengths of the CRN transmission systems pipes.

SCHEDULE 8 sets out the 2024 water consumption and billings.

Attachment 2 Summary of Commission Directions

At paragraphs 102, 103 and 116 of the Decision, the AUC provides specific directions to CRN regarding the calculation of the 2024 actual water rate for JSB, information that must be submitted by CRN as part of this compliance filing and the calculation of interest on outstanding balances owed by JSB.

To assist the Commission in understanding CRN's response to those directions, the relevant paragraphs from the Decision are reproduced below in **bold**, followed by CRN responses.

102. The Commission directs CRN, in the compliance filing to this decision, to calculate the 2024 actual water rate for JSB in accordance with the 2005 WSA, by including and doing the following:

- (i) **List each of the expenses for 2024, the associated account number and the actual 2024 final amount for each of the expenses.**

RESPONSE: The expenses are listed on Schedule 1, page 1 of 3.

- (ii) **Separate the expense amounts provided in response to part (i) between those CRN considers are applicable to paragraph 11(a) of the 2005 WSA and those that CRN considers are applicable to paragraph 11(b) of the 2005 WSA, taking into account the Commission's considerations and findings in paragraph 95 of this decision.**

RESPONSE: The expenses that CRN considers applicable to 11(a) and 11(b) are listed as shown on Schedule 1, page 1 of 3. The detailed analysis for the 11(b) functionalization and allocation is shown on Schedule 1, page 2 of 3 and Schedule 2, page 1 of 1. The CRN provided supplementary information pertaining to the AUC findings in paragraph 95 on page 6, of Appendix 1.

- (iii) **Provide a detailed analysis of the expense amounts CRN considers are applicable to paragraph 11(b). This analysis must include how much of each expense amount was incurred to provide water service to JSB through the Northside Pipeline, including any facilities used in the provision of this water service through the Northside Pipeline. The detailed analysis must include supporting documentation for CRN's assessments of why it considers the expense amounts were incurred to provide water service to JSB through the Northside Pipeline.**

RESPONSE: The expenses that CRN considers applicable to 11(a) and 11(b) are listed as shown on Schedule 1, page 3 of 3. The detailed analysis is shown on Schedule 2, page 1 of 1.

- (iv) **Provide details including working formulas of the allocation of the paragraph 11(a) expense amounts provided in response to part (ii), to JSB. Please include the total water volume purchased by CRN from the City of Edmonton (i.e., EPCOR) in Clareview and JSB's share of the water purchased from EPCOR in Clareview.**

RESPONSE: The working formulas of the paragraph 11(a) allocation are shown on Schedule are listed as shown on Schedule 3, page 1 of 1. The water volume purchased by CRN from EPCOR is shown on Schedule 3, page 1 of 1 and also shown on Schedule 8, page 1 of 1. Schedule 8 is the report of record for the 2024 CRN Invoicing and shows the reconciled amounts for the 2024 total purchase of water pursuant to the monthly meter reading, the total consumption by all members and customers, the invoiced amounts from EPCOR and the consumption (as a credit) of the Strathcona County users after the meter, recalling that this pipe is now the jurisdiction of Strathcona County.

- (v) **Provide details including working formulas of the allocation of the paragraph 11(b) expenses resulting from the detailed analysis provided in response to part (iii), to JSB. Please include the capacity factor for JSB and the capacity factor for the Northside Pipeline used in the calculation of the allocation percentage.**

RESPONSE: The details, including the working formulas of the 11(b) allocation of expenses and the calculation of the capacity factors are shown on Schedule 4, page 1 of 1.

- (vi) **Provide details of the rate(s) per m³ that EPCOR Water Services Inc. charged CRN for water EPCOR Water Services Inc. (EWSI) sold to CRN in 2024. If there was more than one rate charged by EWSI during 2024, please provide each rate and the volume of water sold by EWSI to CRN at each rate, and a calculation of the overall rate for the year, including details of the calculation with working formulas.**

RESPONSE: The details of the rate EPCOR water Services charged to the CRN is shown on Schedule 6, page 1 of 1 and again on Schedule 8, page 1 of 1. There was only one rate charged by the EWSI. **The EWSI Rate was \$0.90/m³.** Strathcona County charged \$1.00/m³ for water flowing through the south pipe. Pursuant to paragraphs 99, 100 and 101 in the order, the total water supplied through the south pipe was included in the North pipe systems as shown on Schedules 2, 3, 6 and verified by Schedule 8 as a total purchase value.

- (vii) Calculate the sum of the paragraph 11(a) expenses allocated to JSB (from part (iv)) and the paragraph 11(b) expenses allocated to JSB (from part (v)); and divide the sum by the 2024 actual total water purchases made by JSB to arrive at the paragraphs 11(a) and 11(b) adder rate for JSB.

RESPONSE: The calculation is shown on Schedule 1, page 3 of 3 and on Schedule 6, page 1 of 1. The adder rate is shown on Schedule 1, page 3 of 3 and Schedule 6, page 1 of 1.

- (viii) Calculate the sum of the EWSI rate (from part vi) and the adder rate (from part (vii)) and the resulting figure will be the 2024 actual rate/m³ that CRN should charge JSB.

RESPONSE: The summation of the EWSI rate and the part (vii) adder rate is shown on Schedule 6, page 1 of 1. The actual rate to be charged to JSB is calculated to be \$1.095/m³.

- (ix) Calculate the true up amount for 2024 by multiplying the difference between the 2024 actual rate (from part (viii)) and the \$1.038/m³ rate that was charged to JSB in 2024, by the 2024 actual total water purchases made by JSB.

RESPONSE: The true up rate is calculated to be \$0.057/m³, which calculates to be \$120,671.74. In 2024, JSB only paid the EWSI rate for water supplied EWSI rate, therefore the adder rate charged to JSB by the CRN was \$0.138/m³, totals \$293,199.49. The total adder balance owed to CRN is \$413,871.79 as shown on Schedule 6, page 1 of 1.

103. The Commission directs CRN, in the compliance filing, to submit a signed copy of CRN's audited financial statements for the year ended December 31, 2024, and to include a mapping that shows where each expense and amount listed in CRN's response to point (i) of the Commission's direction in paragraph 102 of this decision, is reflected in the "Expenses" area of the "Statement of Operations and Accumulated Surplus" included in the audited financial statements. The Commission also directs CRN to confirm that the rates for 2024 do not contain any capital costs.

RESPONSE: A signed copy of CRN's audited financial statements for the year ended December 31, 2024 has been filed with this compliance filing. The mapping is set out in Schedule 1.

116. The portion of the invoiced water bills remaining after the recalculation directed previously should be paid by JSB to CRN. Regarding interest on the balance remaining,

while CRN has not pointed to a contractual entitlement, the Commission can rely on its Rule 023, *Rules Respecting Payment of Interest*. Rule 023 applies to interest on outstanding balances; adjustments of rates, tariffs, or charges; and any other costs that are subject to the Commission's jurisdiction. While the Commission cannot establish if the balance remaining meets the condition of paragraph 3(2)(b), in the unique circumstances of this dispute it is appropriate to waive that condition. While the 2005 WSA does not contain a provision for interest on unpaid balances, the long duration of this dispute renders this a unique circumstance. The Commission considers it appropriate to direct that JSB make payment to CRN for interest on the recalculated balance remaining as set out in Rule 023, paragraph 3(3).

RESPONSE: Schedule 5, page 1 of 1 shows the calculation of the interest on the recalculated balance remaining, pursuant to Rule 023, paragraph 3(3) to equal to \$27,909.

Assignment of Expenses into Administrative and Operating							
2024 EXPENSES	Financial Report	Detail Expense	JSB Allocatable 2024 Expenses	11(a) Administrative	11(b) Operating		
Functionalization/ Allocation Factors							
Amortization of tangible capital assets	\$	759,153					
Operating Contract (Note 9)	\$	381,548					
5635 Operating Contract	\$		381,548		381,548		
Interest on Long-Term Debt	\$	281,616					
Management Wages	\$	189,628					
5820 Wages and Salaries	\$		186,727	186,727			
5815 WCB	\$		2,901	2,901			
Contracted Services	\$	126,998					
5605 Contracted Services	\$		126,998		112,633		
Legal Fees	\$	106,455					
5615 Legal Fees	\$		106,455	106,455			
Utilities	\$	92,935					
5700 Telus 472-6266 Online/SCADA Communications	\$		1,185		1,185		
5705 Telus 998-0171 Online/SCADA Communications	\$		2,166		2,166		
5710 Telus 998-3738 Online/SCADA Communications	\$		1,395		1,395		
5715 Telus 998-2026 Online/SCADA Communications	\$		1,359		1,359		
5730 ENMAX - Power NW26-54-23-W4 (NSMV)	\$		2,091		2,091		
5735 ENMAX - Power SE18-56-21-W4 (Hwy 643 MV)	\$		1,190		1,190		
5740 ENMAX - Power NW09-55-22-1 (Online Pumps & Main)	\$		76,045		7,606		
5771 Direct Energy NW 26-54-23-W4 (NSMV Gas)	\$		2,198		2,198		
5774 Bell Mobility 587-341-3673 (Online) Auto Dialer	\$		5,306		5,306		
Training and Conferences	\$	82,209					
5647 Training & Conferences	\$		82,209		82,209		
Honourariums	\$	65,360					
5645 Honourarium / Per Diem (Directors)	\$		36,369		36,369		
5784 Travel & Subsistence	\$		27,407		27,407		
5646 Catering & Venue Rentals	\$		1,584		1,584		
Engineering Fees	\$	46,331					
5665 Engineering	\$		41,635		41,635		
5606 Cathodic Protection	\$		4,696		4,696		
Audit	\$	44,694					
5610 Bookkeeping services/ Audits	\$		44,694		44,694		
Insurance	\$	21,321					
5685 Insurance	\$		21,321		21,321		
Other	\$	11,528					
5607 Website Contract/Maintenance	\$		1,068		1,068		
5625 Business Fees & Licenses	\$		4,428		4,428		
5640 Courier & Postage	\$		97		97		
5641 Office Expenses	\$		4,046		4,046		
5780 Misc Expenses	\$		875		875		
5795 RWCG Plan & Consulting Fees	\$		1,015		1,015		
Administration Contract (Note 9)	\$	4,328					
5636 Management Contract	\$		4,328		4,328		
Alberta One-Call Maintenance	\$	3,974					
5675 Utility Safety Partners AB 1 Call	\$		3,974		3,974		
Records Management Supplies and Storage	\$	996					
5776 Records Mgmt Supplies and Storage Fee	\$		996		996		
Bank Charges	\$	799					
5690 Bank Charges	\$		799		799		
Bad Debt							
Total Expenses	\$	2,219,873	\$	1,179,103	\$	1,110,664	
				\$	570,667	\$	539,997

2024 EXPENSES	Functionalization of Operating Expenses					
	11(b) Operating Northside Pipeline System 900mm	11(b) Operating Northside Pipeline System 750mm	11(b) Operating Northside Pipeline System Online	11(b) Operating Southside Pipeline System	11(b) Operating Zone 3	11(b) Operating Zone 4
Functionalization/ Allocation Factors	24.79%	25.21%	35.00%	0.00%	7.50%	7.50%
Amortization of tangible capital assets						
Operating Contract (Note 9)						
5635 Operating Contract	\$ 94,592	\$ 96,183	\$ 133,542	\$ -	\$ 28,616	\$ 28,616
Interest on Long-Term Debt						
Management Wages						
5820 Wages and Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5815 WCB	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contracted Services						
5605 Contracted Services	\$ 27,923	\$ 28,393	\$ 39,421	\$ -	\$ 8,447	\$ 8,447
Legal Fees						
5615 Legal Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities						
5700 Telus 472-6266 Online/SCADA Communications	\$ 294	\$ 299	\$ 415	\$ -	\$ 89	\$ 89
5705 Telus 998-0171 Online/SCADA Communications	\$ 537	\$ 546	\$ 758	\$ -	\$ 162	\$ 162
5710 Telus 998-3738 Online/SCADA Communications	\$ 346	\$ 352	\$ 488	\$ -	\$ 105	\$ 105
5715 Telus 998-2026 Online/SCADA Communications	\$ 337	\$ 343	\$ 476	\$ -	\$ 102	\$ 102
5730 ENMAX - Power NW26-54-23-W4 (NSMV)	\$ 518	\$ 527	\$ 732	\$ -	\$ 157	\$ 157
5735 ENMAX - Power SE18-56-21-W4 (Hwy 643 MV)	\$ 295	\$ 300	\$ 417	\$ -	\$ 89	\$ 89
5740 ENMAX - Power NW09-55-22-4 (Online Pumps & Main)	\$ 1,886	\$ 1,917	\$ 2,602	\$ -	\$ 570	\$ 570
5771 Direct Energy NW 26-54-23-W4 (NSMV Gas)	\$ 545	\$ 554	\$ 769	\$ -	\$ 165	\$ 165
5774 Bell Mobility 587-341-3673 (Online) Auto Dialer	\$ 1,315	\$ 1,338	\$ 1,857	\$ -	\$ 398	\$ 398
Training and Conferences						
5647 Training & Conferences	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Honourariums						
5645 Honorarium / Per Diem (Directors)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5784 Travel & Subsistence	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5646 Catering & Venue Rentals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Engineering Fees						
5665 Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5606 Cathodic Protection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit						
5610 Bookkeeping services/ Audits						
Insurance						
5685 Insurance	\$ 5,286	\$ 5,375	\$ 7,462	\$ -	\$ 1,599	\$ 1,599
Other						
5607 Website Contract/Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5625 Business Fees & Licenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5640 Courier & Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5641 Office Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5780 Misc Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5795 RWCG Plan & Consulting Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administration Contract (Note 9)						
5636 Management Contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alberta One-Call Maintenance						
5675 Utility Safety Partners AB 1 Call	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Records Management Supplies and Storage						
5776 Records Mgmt Supplies and Storage Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bank Charges						
5690 Bank Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bad Debt						
Total Expenses	\$ 133,873	\$ 136,125	\$ 188,999	\$ -	\$ 40,500	\$ 40,500

System Segments	Total Priority Rating %
900 mm (includes NSMV and Valve operation)	24.79%
750 mm (includes Valve operation)	25.21%
Online Reservoir (includes SCADA and Flow Control/Valve operation)	35.00%
Southside System	
Zone 3 System (includes Valve operation)	7.50%
Zone 4 System (include Valve operation)	7.50%

	Year 2024	TOTAL % O & M (Operator Input)	Southside 50/50 Blended Total % of Costs
Operations Zone 1 - North Pipe		35.0%	
Total length (m)	8,477		
900 mm			24.8%
Total length (m)	4,188	49.4%	
750 mm			25.2%
Total length (m)	4,289	50.6%	
Online Reservoir and Control Room		35.0%	35.0%
Operations Zone 2 - South Pipe		15.0%	
Operations Zone 3 - Gibbons/Bon Accord		7.5%	7.5%
Operations Zone 4 - Heartland/Redwater		7.5%	7.5%
		100%	100%

EPCOR Purchases	City of Fort Saskatchewan	Sturgeon County	Town of Gibbons	Town of Bon Accord	Town of Redwater	Hwy 28/63 Thorhild	John S Batiuk Vegreville	Total
2024 Total purchased	2,588,169.35	810,209.00	263,459.00	128,230.00	205,636.00	439,317.00	2,124,634.00	6,559,654.35
Share of EWSI CRN Water Purchased in Clareview % of total CRN Purchased	40.35%	12.63%	4.11%	2.00%	3.21%	6.85%	33.12%	6,414,576.50 102.26%
Adjusted (Weighted) % of total CRN Purchased	39.46%	12.35%	4.02%	1.95%	3.13%	6.70%	32.39%	100%

Municipality	1980 Allocation (igpm)	1980 % of Total	2021 Revised Allocation (igpm)	2021 m3/min	Capacity Factors					
					Hwy 28/63 Adjusted m3/min	Adjusted 900mm % of Total	Adjusted 750mm % of Total	Adjusted Online Reservoir % of Total	Adjusted Zone 3 - % of Total	Adjusted Zone 4 - % of Total
Strathcona County	150	1.01%	-			0.00%	0.00%	0.00%	0.00%	0.00%
Fort Saskatchewan	6,944	46.91%	4,994	22.70	22.02	38.12%	0.00%	0.00%	0.00%	0.00%
Sturgeon County	1,572	10.62%	1,572	7.15	6.93	12.00%	19.39%	19.39%	31.83%	52.44%
Gibbons	1,111	7.50%	1,111	5.05	4.90	8.48%	13.70%	13.70%	68.17%	0.00%
Redwater	694	4.69%	694	3.15	3.06	5.30%	8.56%	8.56%	0.00%	34.55%
JSBWRC	4,333	29.27%	4,333	19.70	19.70	34.11%	55.12%	55.12%	0.00%	0.00%
Hwy 28/63					1.15	1.99%	3.22%	3.22%	0.00%	13.01%
Total	14,804	100.00%	12,704	57.75	57.75	100.00%	100.00%	100.00%	100.00%	100.00%
						Zone Flow	35.74	35.74	7.18	8.85
					Total per System:	100.00%	61.88%	61.88%	12.44%	15.33%

	JSB Usage	JSB Adder Bill 0.195	Outstanding Balance	BOC Interest Rate (per Annum)*	Interest Charge
1-1-24	180,060	35,075.90			
2-1-24	144,788	28,204.87			
3-1-24	146,757	28,588.43	35,075.90	6.75% \$	201.09
4-1-24	201,525	39,257.30	63,280.77	6.75% \$	351.08
5-1-24	166,014	32,339.72	91,869.20	6.75% \$	526.67
6-1-24	159,027	30,978.64	131,126.51	6.75% \$	727.48
7-1-24	274,090	53,393.05	163,466.23	6.50% \$	902.42
8-1-24	159,303	31,032.41	194,444.87	6.25% \$	1,032.16
9-1-24	207,672	40,454.75	247,837.92	6.25% \$	1,273.14
10-1-24	161,613	31,482.40	278,870.33	6.00% \$	1,421.09
11-1-24	152,928	29,790.55	319,325.08	5.50% \$	1,443.52
12-1-24	170,857	33,283.14	350,807.48	5.50% \$	1,638.70
1-1-25			380,598.03	5.00% \$	1,616.24
2-1-25			413,881.17	4.75% \$	1,508.11
3-1-25			413,881.17	4.75% \$	1,669.70
4-1-25			413,881.17	4.50% \$	1,530.79
5-1-25			413,881.17	4.50% \$	1,581.82
6-1-25			413,881.17	4.50% \$	1,530.79
7-1-25			413,881.17	4.50% \$	1,581.82
8-1-25			413,881.17	4.50% \$	1,581.82
9-1-25			413,881.17	4.50% \$	1,530.79
10-1-25			413,881.17	4.25% \$	1,493.94
11-1-25			413,881.17	4.00% \$	1,360.71
12-1-25			413,881.17	4.00% \$	1,406.06
Total	2,124,634	413,881.17		\$	27,909.96

[1] Payment was due 30 days after invoice date

[2] Rate in effect on the first day of the month

2024 Total JSB Water Rate	\$/m3
EPCOR Rate (from NS Meter Vault, per AUC Decision)	\$ 0.900
JSB 2024 Adder Rate	\$ 0.138
2024 JSB Rate:	\$ 1.038

Total Water Purchased from EWSI:	6,203,203.00	AUC para. 102(iv)
Total Water Purchased from Strathcona County:	224,272.00	AUC para. 100
Less Credit by Strathcona County:	-12,898.50	AUC para. 100
Total Water Purchased from EWSI (m3):	6,414,576.50	AUC para. 100
Total Water Purchased by JSB (m3):	2,124,634.00	AUC para. 102(iv)
JSB Share of EWSI Water Purchased:	33.12%	AUC para. 102(iv)
EWSI Rate Charged per m3:	\$ 0.900	AUC para. 102(vi)
Summation 11(a) expenses:	\$ 189,016.24	AUC para. 102(vii)
Summation 11(b) expenses:	\$ 224,864.94	AUC para. 102(vii)
Total 11(a) + 11(b) expenses:	\$ 413,881.17	AUC para. 102(vii)
Calculated Adder Rate for JSB:	\$ 0.195	AUC para. 102(vii)
Actual Rate to be charged to JSB per m3:	\$ 1.095	AUC para. 102(viii)
Difference of rate:	\$ 0.057	AUC para. 102(ix)
Difference of Cost:	\$ 120,681.68	AUC para. 102(ix)
2024 invoice arrears outstanding:	\$ 293,199.49	
Total Balance:	\$ 413,881.23	AUC para. 116
Interest on total balance:	\$ 27,909.96	AUC para. 116
2024 JSB Owing to CRN:	\$ 441,791.19	AUC para. 102(ix)

	Original Length (m)	Current Length (m)
1984 System (NSMV to Online)		12,917
Northside Supply Line	21,394	8,477
900 mm	17,105	4,188
750 mm	4,289	4,289
Northside Meter Vault		1
Total		8,478
Online Reservoir and Pump Station		1
North System (JSB)		
Zone 3 and 4 System		
Total		
1970 AC System (Online to Redwater)		
Pipeline		
Redwater Supply Line		26,679
Original - Transferred to Strath County		16,500
Southside Meter Vault		
Total		43,179
Gibbons and Bon Accord Supply Line		
Gibbons Supply Line 1977		7,603
Bon Accord Supply Line 2003		7,243
Zone 3 Online		
Total		14,845
Heartland Waterline		
Heartland Waterline 2013 (Legal Settlement)		33,766
Zone 4 Online		
Total		33,766
Southside Supply Line (SSMV to Online)		
Ft Sask Res. Lines - 2012		2,454
West Park Fill Line - 1981		726
Southside Meter Vault (now Strath)		1
Lamoureux Drive - 2020		540
East 400 mm - 2018		
Hwy 15 Re-Alignment 2020		
Southside Supply Line		6,554
Total		10,275

CRNWSC Water Consumption December 2024

Water Consumption in Cubic meters

	Total Meter Purchased m3	EPCOR Billing m3	Total EPCOR (Calculated) m3	EWSI Meter Read m3	Sturgeon Svcs (before NSMV) m3	NSMV Meter m3	South MV m3	Strathcona County	City of Fort Saskatchewan	Sturgeon County	Town of Gibbons	Town of Bon Accord	Town of Redwater	Hwy 28/63 Thorhild	John S Batiuk Vegreville	Total
Jan	520,602.00	517,546	517,841	516,585	1,256	546,024	4,144	-1,088.00	223,411.26	66,438.00	23,620.00	11,138.00	18,262.20	35,477.00	180,060.00	558,407.46
Feb	463,774.70	460,850	460,709	459,651	1,058	429,258	3,850	-825.30	173,285.26	61,435.00	18,302.00	7,961.00	13,344.97	27,446.00	144,788.00	446,562.23
Mar	467,168.30	463,416	463,460	462,406	1,054	433,663	4,522	-769.70	175,013.28	64,372.00	18,097.00	8,250.00	13,403.67	29,421.00	146,757.00	455,313.95
Apr	539,497.20	536,088	536,312	535,074	1,238	585,559	4,308	-898.80	239,395.54	78,967.00	25,352.00	11,823.00	19,147.95	40,716.00	201,525.00	616,926.49
May	540,856.90	535,864	535,770	534,626	1,144	479,324	6,102	-1,109.10	194,240.44	59,858.00	19,648.00	10,186.00	15,405.46	35,910.00	166,014.00	501,261.90
Jun	574,525.50	521,700	521,898	520,556	1,342	557,957	54,526	-1,700.50	202,335.80	60,456.00	21,037.00	10,557.00	15,702.71	39,842.00	159,027.00	508,957.51
Jul	659,095.00	643,078	643,800	641,736	2,064	641,736	17,777	-1760.00	298,675.27	81,125.00	32,039.00	15,280.00	23,773.10	58,060.00	274,090.00	783,042.37
Aug	572,947.90	541,828	540,836	539,764	1,072	539,764	32,225	-1,105.10	212,539.80	78,295.00	19,527.00	9,127.00	15,512.01	35,920.00	159,303.00	530,223.81
Sept	520,952.20	487,003	486,959	485,931	1,028	485,931	34,960	-1,010.80	260,413.07	71,511.00	25,009.00	14,044.00	21,116.52	42,302.00	207,672.00	642,067.59
Oct	569,697.00	529,489	531,468	529,421	2,047	529,422	41,301	-1,093.00	203,944.82	72,231.00	19,966.00	9,907.00	16,017.19	31,939.00	161,613.00	515,618.01
Nov	468,249.30	456,692	455,804	454,645	1,159	454,645	12,355	-797.70	192,494.35	54,220.00	19,118.00	9,067.00	16,728.29	29,338.00	152,928.00	473,893.84
Dec	517,210.50	509,649	509,741	508,490	1,251	508,277	8,202	-840.50	212,420.47	61,300.00	21,744.00	10,890.00	17,221.93	32,946.00	170,857.00	527,379.40
Total	6,414,576.50	6,203,203.00	6,204,598.00	6,188,885.00	15,713.00	6,201,560.00	224,272.00	-12,898.50	2,588,169.35	810,209.00	263,459.00	128,230.00	205,636.00	439,317.00	2,124,634.00	6,559,654.34
	17,526.2								39.46%	12.35%	4.02%	1.95%	3.13%	6.70%	32.39%	-145,077.84

Water Consumption in \$

	Total Meter Purchased	EPCOR Billing	Total EPCOR (Calculated)	EWSI Meter Read	Sturgeon Svcs (before NSMV)	NSMV Meter	South MV	Strathcona County	City of Fort Saskatchewan	Sturgeon County	Town of Gibbons	Town of Bon Accord	Town of Redwater	Hwy 28/63 Thorhild	John S Batiuk Vegreville	Total
Jan	\$ 468,846.44	\$ 465,790.44	\$ 466,056.90	\$ 464,926.50	\$ 1,130.40	\$ 491,421.60	\$ 4,144.00	\$ -1,088.00	\$ 360,250.65	\$ 107,132.89	\$ 38,087.25	\$ 17,980.03	\$ 29,447.80	\$ 57,206.66	\$ 186,902.28	\$ 796,967.56
Feb	\$ 417,689.70	\$ 414,765.00	\$ 414,638.10	\$ 413,685.90	\$ 952.20	\$ 386,332.20	\$ 3,850.00	\$ -825.30	\$ 279,422.48	\$ 99,063.94	\$ 29,511.98	\$ 12,837.11	\$ 21,518.76	\$ 44,256.68	\$ 150,289.94	\$ 636,900.89
Mar	\$ 420,826.70	\$ 417,074.40	\$ 417,114.00	\$ 416,165.40	\$ 948.60	\$ 390,296.70	\$ 4,522.00	\$ -769.70	\$ 282,208.92	\$ 103,799.85	\$ 29,181.41	\$ 13,303.13	\$ 21,613.42	\$ 47,441.36	\$ 152,333.77	\$ 649,881.85
Apr	\$ 485,886.40	\$ 482,479.20	\$ 482,680.80	\$ 481,566.60	\$ 1,114.20	\$ 536,003.10	\$ 4,308.00	\$ -898.80	\$ 386,025.31	\$ 127,334.29	\$ 40,880.10	\$ 19,064.59	\$ 30,876.07	\$ 65,654.55	\$ 209,182.95	\$ 879,017.85
May	\$ 487,270.50	\$ 482,277.60	\$ 482,193.00	\$ 481,163.40	\$ 1,029.60	\$ 431,391.60	\$ 6,102.00	\$ -1,109.10	\$ 313,212.71	\$ 96,521.03	\$ 31,682.40	\$ 16,424.93	\$ 24,841.30	\$ 57,904.88	\$ 172,322.53	\$ 712,909.78
Jun	\$ 522,355.50	\$ 469,530.00	\$ 469,708.20	\$ 468,500.40	\$ 1,207.80	\$ 502,161.30	\$ 54,526.00	\$ -1,700.50	\$ 326,266.47	\$ 97,485.30	\$ 33,922.16	\$ 17,023.16	\$ 25,320.62	\$ 64,245.23	\$ 165,070.03	\$ 729,332.97
Jul	\$ 594,787.20	\$ 578,770.20	\$ 579,420.00	\$ 577,562.40	\$ 1,857.60	\$ 577,562.40	\$ 17,777.00	\$ -1,760.00	\$ 481,613.86	\$ 130,814.06	\$ 51,662.89	\$ 24,639.00	\$ 38,334.12	\$ 93,621.75	\$ 284,505.42	\$ 1,105,191.11
Aug	\$ 518,765.10	\$ 487,645.20	\$ 486,752.40	\$ 485,787.60	\$ 964.80	\$ 485,787.60	\$ 32,225.00	\$ -1,105.10	\$ 342,720.42	\$ 126,250.69	\$ 31,487.29	\$ 14,717.29	\$ 25,013.12	\$ 57,921.00	\$ 165,356.51	\$ 763,466.31
Sept	\$ 472,251.90	\$ 438,302.70	\$ 438,263.10	\$ 437,337.90	\$ 925.20	\$ 437,337.90	\$ 34,960.00	\$ -1,010.80	\$ 419,916.07	\$ 115,311.49	\$ 40,327.01	\$ 22,645.95	\$ 34,060.39	\$ 68,211.98	\$ 215,563.54	\$ 916,026.42
Oct	\$ 516,747.20	\$ 476,539.20	\$ 478,321.20	\$ 476,478.90	\$ 1,842.30	\$ 476,478.90	\$ 41,301.00	\$ -1,093.00	\$ 328,861.03	\$ 116,472.49	\$ 32,195.18	\$ 15,975.04	\$ 25,827.72	\$ 51,501.64	\$ 167,754.29	\$ 738,587.37
Nov	\$ 422,586.10	\$ 411,028.80	\$ 410,223.60	\$ 409,180.50	\$ 1,043.10	\$ 409,180.50	\$ 12,355.00	\$ -797.70	\$ 310,397.13	\$ 87,429.75	\$ 30,827.78	\$ 14,620.54	\$ 26,974.37	\$ 47,307.53	\$ 158,738.26	\$ 676,296.36
Dec	\$ 517,210.50	\$ 509,649.00	\$ 509,741.00	\$ 508,490.00	\$ 1,251.00	\$ 508,277.00	\$ 8,202.00	\$ -840.50	\$ 342,528.01	\$ 98,846.25	\$ 35,062.20	\$ 17,560.13	\$ 27,770.36	\$ 53,125.43	\$ 177,349.57	\$ 752,241.93
Total	\$ 5,328,014.74	\$ 5,582,886.84	\$ 5,584,138.20	\$ 5,569,996.50	\$ 14,141.70	\$ 5,581,404.00	\$ 224,272.00	\$ -12,898.50	\$ 4,173,423.07	\$ 1,306,462.01	\$ 424,827.64	\$ 206,770.88	\$ 331,588.04	\$ 708,398.67	\$ 2,205,370.10	\$ 9,356,840.39
Rates		\$ 0.9000	\$ 0.9000	\$ 0.90	\$ 0.90	\$ 0.90	\$ 1.00	\$ 1.00	1,6125	1,6125	1,6125	1,6125	1,6125	1,6125	1,038	1,038
									44.60%	13.96%	4.54%	2.21%	3.54%	7.57%	23.57%	


Gene Sobolewski, Commission Manager

Jan 09 / 2025
Date



Request for Decision (RFD)

Meeting Date: Monday, February 23, 2026

Agenda Item: 7c

Topic: Draft Disposal of Assets Bylaw for Approval

Presented By: Commission Manager

Recommendation:

1. That the Board give Bylaw 2026-001, the Disposal of the Commissions Assets Bylaw reading and adoption.
 2. That the Board rescind Bylaw 2023-001, the previous Disposal of the Commissions Assets Bylaw.
-

Background:

Bylaw 2023-001 was adopted in April 2023 apparently in preparation of the sale of a portion of waterline to Strathcona County. Disposal of assets were previously guided through a policy drafted in 2007. At that time assets were primarily focused on miscellaneous items such as computers, surplus piping, meters, etc., that were in storage or taking up space. Other items such as an old furnace, a broken shed, a welder, piping, valves, and other smaller miscellaneous items were considered for disposal as waste.

In 2023, Strathcona County had made a request to purchase a section of the southside transmission main, which likely required more robust language, which formed the basis of the bylaw.

Discussion (benefits/disadvantages):

Bylaw 2026-001 represents the language used in the previous bylaw, which attempted to provide a one-stop approach to the disposal of major assets (clause 1.0 - such as a transmission pipe) and minor assets (clause 2.0 – repair debris/surplus/rubbish).

Alternatives:

None

Financial Implications:

There is sufficient budget available to undertake this project.

Legislation:

Municipal Government Act (MGA) s. 602.09

Intergovernmental:

N/A

Strategic Alignment:

N/A

Enclosure(s):

Attachments 1.



Request for Decision (RFD)

Signature of the Commission Manager: _____

C·R·N·W·S·C

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

BEING A BYLAW RESPECTING THE DISPOSAL OF THE COMMISSION'S ASSETS

BYLAW NO. 2026-001

WHEREAS:

- A. The Commission has been established by Ministerial Order L:081/07;
- B. Pursuant to section 602.09(1)(f) of the Act, the Commission must pass a bylaw respecting the process for the disposal of the assets of the Commission; and
- C. To ensure that the Physical Assets are used for the intent for which purchase funds were provided as grant funds, the Commission prohibits the sale, transfer, lease, or loan of any non-surplus asset, subject to the provisions herein.

NOW THEREFORE, the Board of Directors of the Commission enacts the following:

1. CITATION

- (1) This Bylaw may be cited as the Capital Region Northeast Water Services Commission **“Disposal of the Commissions Assets Bylaw”**.

2. DEFINITIONS

In this Bylaw:

- (1) **"Act"** means the *Municipal Government Act*, R.S.A. 2000, c. M-26, as amended or replaced;
- (2) **"Board"** means the Board of Directors of the Commission;
- (3) **"Commission"** means the Capital Region Northeast Water Services Commission;
- (4) **"Commission Manager"** means the chief administration officer or such person appointed by the Commission to operate the Commission on a day-to-day basis;
- (5) **"Director"** means that individual appointed to the Board by a Member Municipality;
- (6) **"Municipality" or "Municipalities"** means a municipal authority, or the municipal authorities, as applicable, that is/are members of the Commission, which includes:
 - a) City of Fort Saskatchewan;
 - b) Strathcona County;
 - c) Sturgeon County;
 - d) Town of Bon Accord;
 - e) Town of Gibbons; and
 - f) Town of Redwater.

- (7) **"Physical Assets"** means any property of the Commission, including real property, buildings, facilities, vehicles, equipment, and inventory owned by the Commission;

3. PREPARATION OF LIST OF ASSETS

- (1) By March 1st of each year, the Commission will prepare and maintain a list of any surplus assets.

4. DISPOSAL OF ASSETS

(1) General Disposal Process

- a) The disposal of any assets of the Commission requires the approval of the majority of the Board.
- b) Subject to section 3.1.3, which shall supersede this section in case of conflict, if the Commission Manager determines that any asset is no longer required for Commission operations, the following steps shall be followed:
- i) The Municipalities shall be given the opportunity to purchase surplus assets at current market value, which shall be determined by the Commission Manager based on a fair market assessment.
 - ii) If the surplus asset is physically located within a specific Municipality's boundaries, that Municipality shall be provided with the first right to acquire the asset. The Municipality shall have 14 days to notify the Commission Manager of its intent to acquire the asset, after which the asset may be offered to other Municipalities.
 - iii) If no Municipality expresses interest, the asset may be offered to Hwy 28/63 Regional Water Services Commission and the John S. Batiuk Regional Water Services Commission under the same terms.
 - iv) If no interest is expressed by any parties, the asset shall be disposed of in accordance with section 3.1.4.

(2) Water Transmission System Assets

The Commission Manager may, without Board approval, transfer, sell, or otherwise dispose of any Physical Asset that is connected to the Commission's water transmission system, provided that:

- a) The disposal reduces the Commission's liability regarding maintenance and replacement; and
- b) The disposal does not jeopardize the water supply to the Commission or its customers.

(3) Disposal Methods

By June 30th of each year, any remaining surplus assets that have not been acquired by the Municipalities or other regional commissions shall be disposed of by one or more of the following methods, as deemed appropriate by the Commission Manager:

- a) Public tender;
- b) Advertised public sale;
- c) Public auction; or
- d) Disposal as waste, if the asset is deemed valueless.

4. ADDITIONAL CONSIDERATIONS

- (1) Any Physical Assets that are subject to buy-back, trade-in, or similar disposal arrangements shall be exempt from the disposal provisions of this Bylaw.
- (2) Grant-funded Assets: No asset purchased using Federal or Provincial grant funds shall be disposed of without obtaining written consent from the granting body, if such disposal might jeopardize continued grant funding.
- (3) Northside Supply Line: Consent from the John S. Batiuk Regional Water Services Commission is required before any portion of the Northside supply line, supplied by EPCOR, is sold. If such a sale is approved, the John S. Batiuk RWSC shall be entitled to their proportionate share of the proceeds from the sale.

5. AMENDMENTS

- (1) Any amendments to this Bylaw require approval by a majority of the Board and shall not come into force until such approval is obtained.

6. ENACTMENT

- (1) Bylaw 2023-001 is repealed and replaced by this Bylaw.
- (2) This Bylaw shall become effective on the day it receives approval of the Board.

ADOPTED BY THE CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

THIS ____ DAY OF _____ 20__.

Commission Chair

Commission Manager

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

BYLAW NO. 2023-001

BEING A BYLAW RESPECTING THE DISPOSAL OF THE COMMISSION'S ASSETS,

WHEREAS:

- A. the Commission has been established by Ministerial Order; and
- B. pursuant to Sections 602.09(1)(f) of the Act, the Commission must pass a bylaw respecting the process for the disposal of the assets of the Commission; and
- C. to ensure that the Physical Assets are used for the intent for which purchase funds were provided as grant funds, the Commission prohibits the sale, transfer, lease, or loan of any non-surplus asset, subject to the below.

NOW THEREFORE the Board of Directors of the Commission enacts the following:

1 DEFINITIONS

- 1.1 "**Act**" means the Municipal Government Act, PSA. 2000, c. M-26;
- 1.2 "**Board**" means the Board of Directors of the Commission;
- 1.3 "**Commission**" means the Capital Region Northeast Water Services Commission;
- 1.4 "**Commission Manager**" means such person that is appointed by the Commission to operate the Commission on a day to day basis;
- 1.5 "**Director**" means a person appointed to the Board of Directors of the Commission in accordance with this Bylaw;
- 1.6 "**Municipality**" or "**Municipalities**" means those municipalities that are the municipal members of the Commission, at such relevant times; and
- 1.7 "**Physical Assets**" means any property of the Commission, including real property and any buildings, facilities, or structures erected upon the same as well as personal property, including vehicles, Equipment, and inventory owned by the Commission.

2 PREPARATION OF LIST OF ASSETS

- 2.1 By March 1st, of each year, the Commission will prepare a list of any surplus assets, any exist.

3 DISPOSAL OF ASSETS

3.1.1 It is agreed that the Commission will only dispose of assets if the majority of the Board approves of such disposal.

3.1.2 Subject to Section 3.1.3 hereof, which Section 3.1.3 is paramount over this Section 3.1.2, if the Commission Manager confirms that any particular asset is not required, the Commission Manager will present a list of surplus items to the Board at the Board's spring meeting. At such meeting:

- (a) The Municipalities will then be given an opportunity to purchase such item at current market value which current market value is to be determined by the Commission Manager.
- (b) Notwithstanding this Section 3.1.2(a), if a Physical Asset is situated within a Municipality's physical boundaries, that Municipality shall be provided with the first opportunity to acquire the Physical Asset in question. Upon the respective Municipality's receipt of notice from the Commission Manager, that Municipality shall have 14 days to respond to the Commission Manager to advise of its intent to acquire the Physical Asset. Should the Municipality fail to respond within the aforementioned 14 days, the Commission Manager may offer up the respective Physical Asset to the remaining of the Municipalities.
- (c) If no Member Municipality makes a request to purchase the surplus asset, then each of the Hwy 28/63 Regional water Services Commission and the John S. Batiuk Regional Water Services Commission will then be given an opportunity to purchase any surplus item at current market value which current market value is to be determined by the Commission Manager.
- (d) If no such requests are made to purchase the surplus asset the surplus asset shall then be disposed of in accordance with Section 3.1.4.

3.1.3 The Commission Manager will transfer, sell, or otherwise dispose of any Physical Asset that is connected to the Commission's water transmission system to an upstream supplier of water if the Commission Manager:

- (a) is of the opinion that the disposal will reduce the Commission's liability respecting maintenance and replacement; and
- (b) believes that the disposal will not jeopardize the supply of water to the Commission or any of its customers.

3.1.4 By June 30th of each year, the Commission Manager shall ensure the disposal of all listed surplus assets by one, or a combination of the following means, in the discretion of the Commission Manager:

- (a) public tender;
- (b) advertised for public sale;
- (c) public auction; or
- (d) disposal as waste.

4 ADDITIONAL CONSIDERATIONS

- 4.1 Any Physical Assets that are subject to buy-back, trade-in, or other similar disposal arrangements shall be exempt from the provisions respecting disposal contained in this Bylaw.
- 4.2 Any Physical Assets purchased through use of Federal or Provincial government grants shall not be disposed of if grant funding is or may be jeopardized as a result of such disposal, without the consent of said granting party.
- 4.3 Note that any portion of the Northside supply line from Epcor Water requires consent from John S. Batiuk Regional Water Services Commission before the sale may proceed. If consent is granted John S. Batiuk RWSC is entitled to their proportionate share of the proceeds.

5 AMENDMENTS

- 5.1 A bylaw to amend this Bylaw does not come into force until the bylaw is passed: by a majority of the Board.

EFFECTIVE as of this 25th day of April, 2023



CHAIRPERSON



COMMISSION MANAGER