

Bylaw No. 1028-2019

PAGE 1

A BYLAW OF THE CITY OF LEDUC IN THE PROVINCE OF ALBERTA, TO PROHIBIT OTHER PERSONS FROM PROVIDING ELECTRIC DISTRIBUTION SERVICE WITHIN THE LEGAL BOUNDARIES OF THE MUNICIPALITY

WHEREAS, pursuant to section 45 of the *Municipal Government Act*, R.S.A. 2000, c. M-26 (the "**Municipal Government Act**"), and as authorized by Municipal Bylaw 819-2013, 2013, **City of Leduc** (the "**Municipality**") has entered into an Electric Distribution Franchise Agreement with FortisAlberta Inc. (the "**Franchise Agreement**");

WHEREAS, pursuant to the terms of the Franchise Agreement, FortisAlberta Inc. (such party and its successors and permitted assigns hereinafter referred to as "**FortisAlberta**") has been granted the exclusive right to provide electric distribution service within the legal boundaries of the Municipality as altered from time to time (the "**Municipal Franchise Area**") for the term of such agreement;

WHEREAS, the Municipality may, upon the expiration of the Franchise Agreement and subject to the terms of the *Municipal Government Act*, enter into a subsequent or replacement agreement with FortisAlberta or a third party (either such party the "**Subsequent Franchisee**") which grants such Subsequent Franchisee the exclusive right to provide electric distribution service within the Municipal Franchise Area for the term of such agreement (any such agreement or replacement thereof a "**Subsequent Franchise Agreement**");

WHEREAS, the legal boundaries of the Municipality **have been altered since the effective date of the Franchise Agreement, and** may be altered from time to time after the date this Bylaw is passed, due to municipal annexations or for other reasons;

AND WHEREAS, pursuant to Section 46 of the *Municipal Government Act*, and for the duration of any Franchise Agreement or Subsequent Franchise Agreement (any such agreement an "**Exclusive Franchise Agreement**"), the Municipality wishes to prohibit any person other than FortisAlberta or the Subsequent Franchisee, as the case may be (such party the "**Exclusive Franchisee**"), from providing electric distribution service, or any similar utility service, within the Municipal Franchise Area;

NOW THEREFORE, the Council of the City of Leduc in the Province of Alberta duly assembled, hereby enacts as follows:

PART I: BYLAW TITLE

1. That this bylaw shall be known as the "**Prohibiting Other Persons From Providing Electric Distribution Service within Municipal Franchise Area**" Bylaw.

PART II: PROHIBITING OTHER PERSONS

2. For the duration of any Exclusive Franchise Agreement, any person other than the Exclusive Franchisee shall be prohibited from providing electric distribution service, or any similar utility service, within the Municipal Franchise Area.

3. If, prior to the date that this Bylaw is passed:
 - (a) an alteration of the legal boundaries of the Municipality, through annexation or otherwise, occurred and resulted in the service area of any rural electrification association (as such term is defined in the Electric Utilities Act, R.S.A. 2003, c. E-5.1) extending into the Municipal Franchise Area; and
 - (b) the service area of such rural electrification association was subsequently altered by Decision 22164-D01-2018 or any other decision, order, or approval of the Alberta Utilities Commission (or otherwise pursuant to applicable law) such that it no longer extends into the Municipal Franchise Area;

then any consumers within the Municipal Franchise Area which are connected to, and take electric distribution service from, such rural electrification association must transfer to, connect to, and take electric distribution service from, the Exclusive Franchisee no later than the ninetieth (90th) day following the date that this Bylaw is passed.

4. If:
 - (a) an alteration of the legal boundaries of the Municipality, through annexation or otherwise, occurs after (or occurred prior to) the date that this Bylaw is passed and results in (or resulted in) the service area of any rural electrification association (as such term is defined in the Electric Utilities Act, R.S.A. 2003, c. E-5.1) extending into the Municipal Franchise Area; and
 - (b) the service area of such rural electrification association is subsequently altered by any decision, order, or approval of the Alberta Utilities Commission (or otherwise pursuant to applicable law) such that it no longer extends into the Municipal Franchise Area (any such alteration, a "Service Area Alteration");

then any consumers within the Municipal Franchise Area which are connected to, and take electric distribution service from, such rural electrification association must transfer to, connect to, and take electric

Bylaw No. 1028-2019

PAGE 3

distribution service from, the Exclusive Franchisee no later than the ninetieth (90th) day following the date of such Service Area Alteration.

READ A FIRST TIME IN COUNCIL THIS 12TH DAY OF NOVEMBER, 2019.

READ A SECOND TIME IN COUNCIL THIS 12TH DAY OF NOVEMBER, 2019.

READ A THIRD TIME IN COUNCIL THIS 12TH DAY OF NOVEMBER, 2019.

Bob Young
MAYOR

Macarena Hormazabal
DEPUTY CITY CLERK

November 12, 2019

Date Signed