

Bylaw 584/12
OF THE VILLAGE OF BAWLF
IN THE
PROVINCE OF ALBERTA

A Bylaw to amend Bylaw 537/05, the FortisAlberta Franchise Agreement Bylaw.

WHEREAS, pursuant to the provisions in Part 2 of the Municipal Government Act, R.S.A. 2000 c. M-26, as amended, the Council of the Village of Bawlf has entered into an Electric Distribution System Franchise Agreement with FortisAlberta Inc.;

NOW THEREFORE, the Council of the Village of Bawlf enacts the following amendments to Bylaw 537/05, the FortisAlberta Franchise Agreement Bylaw:

1. THAT the attached Schedule 'A', Amendment to the Electric Distribution System Franchise Agreement, becomes part of the original Electric Distribution System Franchise Agreement between the Village of Bawlf and FortisAlberta Inc.
2. THAT the attached Schedule 'B', specifically Sections 5.a) and 5.b), replaces Page 4 of the original Electric Distribution System Franchise Agreement between the Village of Bawlf and FortisAlberta Inc.

This bylaw comes into effect on the date of third reading.

READ A FIRST TIME THIS 21st DAY OF November, 2012.

Sordie Blatz
MAYOR

Lynn Horbasenko
VILLAGE MANAGER

READ A SECOND TIME THIS 19th DAY OF December, 2012.

Sordie Blatz
MAYOR

Lynn Horbasenko
VILLAGE MANAGER

READ A THIRD TIME THIS 19th DAY OF December, 2012 AND FINALLY PASSED.

Sordie Blatz
MAYOR

Lynn Horbasenko
VILLAGE MANAGER

**AMENDMENT to
The Electric Distribution System Franchise Agreement**

Dated this 3rd day of October, 2012.

Between:

The Village of Bawlf

And

FortisAlberta Inc.

This Amendment will be attached to and becomes part of the original Electric Distribution System Franchise Agreement between the parties.

The parties agree to amend the Electric Distribution System Franchise Agreement as follows:

Under section "5. Franchise Fees", subsection "b Adjustment to Franchise Fee and Cap", change words "zero (0%) to twenty (20%)".

IN WITNESS WHEREOF both parties agree to the above amendments and hereto have executed these presents as of the day and year first above written.

FortisAlberta Inc.

The Village of Bawlf

Authorized By: GORDIE BLATZ Authorized By: LYNN HORBAsENKO

Signature: *Gordie Blatz* Signature: *Lynn Horbasenko*

- iii) use designated portions of roads, rights-of-way, and other lands including other lands owned, controlled or managed by the Municipality necessary to Construct, Operate and Maintain the Distribution System, including the necessary removal, trimming of trees, shrubs or bushes or any parts thereof;
- iv) use the Municipality's roads, rights-of-way and other Municipal Property granted hereunder solely for the purpose of providing Distribution Access Service and any other service contemplated by this Agreement.

5) **FRANCHISE FEE**

Calculation of Franchise Fee

- a) In consideration of the grant of franchise and the mutual covenants herein, the Company agrees to pay to the Municipality a franchise fee. For each calendar year the franchise fee will be calculated as a percentage of the Company's actual gross revenue in that year from the Distribution Tariff rates charged for Distribution Access Service within the Municipality. For the first calendar year of the Term of this Agreement, the franchise fee percentage shall be zero percent (0%). Effective Oct. 3, 2012 the franchise fee percentage will be increased to ~~three~~ percent (3%) on a going forward basis.

By no later than October 1 of each year, the Company shall: (i) advise the Municipality in writing of the gross revenues that were derived from the Distribution Tariff within the existing boundaries of the Municipality for the prior calendar year; and (ii) with the Municipality's assistance, provide in writing an estimate of gross revenues to be derived from the Distribution Tariff within the boundaries of the Municipality for the next calendar year.

By no later than December 1 of each year, the Municipality shall advise the Company in writing of the franchise fee percentage to be charged.

Adjustment to Franchise Fee and Cap

- b) At the option of the Municipality, the franchise fee percentage may be changed annually by providing written notice to the Company by December 1 of each year, and the change is effective for the next calendar year.

The franchise fee percentage shall not at any time exceed ten percent (10%), unless there has been prior Board approval. Effective Oct. 3, 2012 the franchise cap will be increased to twenty percent (20%) on a going forward basis.

Payment of Franchise Fee

- c) The Company shall pay the franchise fee amount to the Municipality on a monthly basis within forty-five (45) days after billing each retailer.

Reporting Considerations

- d) The Company shall provide to the Municipality along with payment of the franchise fee amount, the financial information used by the Company to verify the franchise fee amount.

The Company shall, to the extent required by law, require each retailer to disclose to each Consumer the franchise fee amount, in dollars, on each bill.

Fortis Appr. By	Bawlf Appr. By
	<i>[Signature]</i>