AUC
Alberta Utilities Commission

Disposition: 30191-D01-2025

July 23, 2025

Irv Richelhoff
Apex Utilities Inc.
5509 - 45 ST
Leduc, Alberta, T9E 6T6

Apex Utilities Inc. and the Town of Calmar
Franchise Agreement and Rate Rider
Proceeding 30191

1. On July 22, 2025, Apex Utilities Inc. applied to the Alberta Utilities Commission for approval of a natural gas franchise agreement with the Town of Calmar. The application was filed in accordance with Rule 029: *Municipal Franchise Agreements*. The application included a copy of the proposed franchise agreement and franchise fee rider schedule.

2. Notice of the proposed franchise agreement was advertised as follows:

Advertising method	Media name/description	Advertising date
Webpage	Town of Calmar	June 5, 2025

3. No objections or concerns related to the proposed franchise agreement were received by the municipality or the utility.

4. The proposed franchise agreement is based on the approved natural gas franchise agreement template referred to in Rule 029. The agreement will be in effect on the later of August 1, 2025, or the first day after it has received both AUC approval and the Town of Calmar has passed third reading of Bylaw No. 2025-08 approving the franchise agreement.

5. The proposed franchise agreement includes that Apex Utilities Inc. agrees to pay the Town of Calmar a franchise fee. The proposed franchise fee will be calculated as 35.00 per cent of Apex Utilities Inc.'s revenue from its distribution tariff excluding any amounts collected or refunded through other rate riders, as shown on the franchise fee rider schedule. The proposed franchise fee is a continuation of the current franchise fee and will continue as an estimated $34.38 monthly charge for an average residential customer.

6. The AUC accepts that the right granted to Apex Utilities Inc. by the Town of Calmar to provide distribution service, to construct, operate and maintain the gas distribution system, and to use lands owned, controlled or managed by the municipality to provide this service, is necessary and proper for the public convenience and properly serves the public interest based on the following:

- The municipality's council has determined to grant the utility the right to provide utility service in the municipality.
- The municipality and the utility consent to the franchise agreement.
- No person has objected to the franchise agreement.
- The franchise agreement complies with the requirements set out in the applicable legislation, including that the term does not exceed 20 years and the agreement was advertised.

7. Accordingly, pursuant to Section 45 of the *Municipal Government Act*, and Section 106 of the *Public Utilities Act*, the AUC approves the franchise agreement as filed.

8. Given the approval of the franchise agreement, and in accordance with Section 49 of the *Gas Utilities Act*, the AUC approves Apex Utilities Inc.'s rate rider of 35.00 per cent effective on the later of August 1, 2025, or the first day after it has both received AUC approval and the Town of Calmar has passed third reading of Bylaw No. 2025-08 approving the franchise agreement.

9. Prior to any change in the level of the franchise fee pursuant to the franchise agreement, customers shall be notified as outlined in Section 7 of Rule 029.

10. The Commission may, within 60 days of the date of this disposition and without notice, correct typographical, spelling and calculation errors and other similar types of errors and post the corrected disposition on its website.

Alberta Utilities Commission