

Corporate Planning and Financial Services Briefing to

Public Hearing Meeting of Council

2023 October 03

ISC: UNRESTRICTED

C2023-1042

The History, Prior Research, and Spending of Local Access Fees

PURPOSE OF BRIEFING

Affordability is top of mind for many Calgarians, local businesses, and The City. The surge in Alberta electricity prices since 2021 is unprecedented in the history of the Alberta Power Pool, resulting in surging utility costs, a skyrocketing Regulated Rate Option for Electricity, and financial strain. This has also resulted in a higher-than-budgeted Local Access Fee revenue for The City based on the existing Local Access Fee methodology used.

This briefing is in response to direction from the 2023 September 12 Council Meeting, item C2023-0959 (*The Impact of Local Access Fees on Affordability*).

SUPPORTING INFORMATION

Attachment 1 addresses direction 1. a. from C2023-0959 in providing an overview of history, legislation and the rationale behind Local Access Fees.

Attachment 2 addresses direction 1. b. from C2023-0959 by outlining some of the previous work completed by Administration on Local Access Fees.

Attachment 3 addresses direction 1. c. from C2023-0959 by outlining the surplus Local Access Fee (or franchise fee) revenue that has been added to the Reserve for Future Capital and an overview of spending on capital projects from that reserve since 2008.

ATTACHMENT(S)

1. The History of Local Access Fees
2. Previous Research Conducted on Local Access Fees
3. History of Local Access Fee Contributions to Operations and Capital
4. Report of the Franchise Fee Review Team

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