

Background and Previous Council Direction

Background

The City has been providing bulk water services outside its corporate boundaries since 1961 and wastewater treatment services since 1972. The City operates regulated water treatment and delivery and wastewater treatment and disposal services to some customers outside Calgary's municipal boundaries through bi-lateral Master Servicing Agreements (MSAs) and per Council policies. City Council holds authority for approving new servicing agreements and for setting regional customer rates. Currently, regional customers make up about 10 per cent of The City's customer base, six per cent of its consumption or treatment, and four per cent of its revenue. The City's largest current customer is The City of Airdrie (water and wastewater). The City currently does not currently provide stormwater servicing for any regional customers.

The City has an MSA with each regional customer to establish the legal obligations associated with the provision of regional water and wastewater servicing by The City. The MSAs are designed to be updated with each business cycle to update the annual contracted volumes to be provided by The City to each customer for the upcoming four years. These contracted volumes are a critical input into the Utility's Cost of Service Study that attributes utility costs to each customer class to inform customer rates, including the regional customer rate class. Rates charged by The City to regional customers are designed to recover 100 percent of the cost of providing the regional service.

The Calgary Metropolitan Region Board (CMRB) Growth Plan and Servicing Plan came into effect in 2022 August establishing the strategic vision for how and where the region should grow. At that time an administrative review of Calgary's Regional Servicing Policy was initiated. Policy updates to align with the CMRB were approved by Council in 2024 January.

The CMRB has halted its operations, and effective 2025 February 18 the CMRB Growth Plan and Servicing Plan have been repealed. Effective 2025 April 30 the CMRB regulation has been repealed by the Government of Alberta.

Previous Council Direction

Bylaws, Regulations, Council Policies

Regional water and wastewater servicing aligns with or supports several Council Policies, including the following:

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
1992 May 25	OE92-31	Council approved a <i>Policy for Utility Extensions Beyond The City's Boundaries (UEP004)</i> . This policy guided the extension of water and wastewater services outside City boundaries and supported the extension of water or wastewater services to existing incorporated urban centres.
2018 February 26	IGA2018-0089	Council adopted a new <i>Policy on Regional Water, Wastewater and Stormwater Servicing (CP2018-01)</i> and directed Administration to return to Council, through the Standing Policy Committee on Utilities and Corporate Services, in Q2 2018 on the 2019-2022 Regional Water Allocations.
2024 January 30	IGA2023-1281	Council Adopted the updated <i>Policy on Regional Water, Wastewater and Stormwater Servicing (CP2018-01)</i> .

Triple Bottom Line Policy (LUP003, EM003, CS003)

Regional water servicing is consistent with the following themes of The City's *Triple Bottom Line Policy Framework*:

- provides affordable and cost-effective infrastructure;
- supports sports/leisure activities (e.g., Spruce Meadows);
- supports efficient land use;
- conserves and protects The City's water resources;
- promotes collaboration with neighbouring municipalities to ensure effective delivery of services and shared responsibility for future sustainability; and
- supports the long-term viability of The City and the region by collaborating with its regional partners on servicing and watershed issues.

Source Water Protection Policy (CP2020-04)

Regional water servicing aligns with The City's *Source Water Protection Policy (CP2020-04)*, which states that The City is committed to delivering safe, clean, high quality drinking water to our city and regional customers.

The City of Calgary's Environmental Policy (UEP001)

Regional water servicing is consistent with The City's *Environmental Policy (UEP001)* by promoting water conservation, minimizing water and land consumption, and partnering with other governments to enhance environmental sustainability.