



Natural Gas Distribution System Tax Agreement

EC2025-0687

2025 July 22



Recommendations

That the Executive Committee recommend that Council:

1. Authorize the Natural Gas Distribution System Tax Agreement (Attachment 2) between The City of Calgary and ATCO Gas and Pipelines Ltd.
2. Direct the Chief Financial Officer to execute the Natural Gas Distribution System Tax Agreement (Attachment 2) between The City of Calgary and ATCO Gas and Pipelines Ltd.

Previous Council Direction

New Franchise Agreement for Natural Gas, C2024-1098

That Council:

1. Authorize a new franchise agreement for natural gas (Attachment 3) aligned to the Quantity Only methodology;
2. Give first reading to Bylaw 44M2024 (Attachment 4);
3. Withhold second and third readings of Bylaw 44M2024 until the Alberta Utilities Commission approves a new franchise agreement between The City of Calgary and ATCO Gas; [...]*

Tabulation of Bylaw 44M2024, C2025-0149

That Council: give second and third readings to Proposed Bylaw 44M2024.

*Recommendations 4 and 5 relate to the confidentiality and release of the attachments, pursuant to the *Freedom of Information and Protection of Privacy Act*.



The new Natural Gas Distribution System Tax Agreement will:

- Enable ATCO to continue paying franchise fees in lieu of property taxes, pursuant to the *Municipal Government Act* s. 360(3)
- Reflect the ATCO Franchise Agreement, already executed by The City and ATCO
- Ensure that consumers have clarity and predictability for franchise fees on their utility bills
- Allow The City to meet its budget targets by minimizing the risk of collecting more or less than we need and provide stable revenue to fund services



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