

Background and Previous Council Direction

Background

The City of Calgary (The City) has been providing bulk water services outside its corporate boundaries since 1961 and wastewater treatment services since 1972. These services are delivered through regulated water treatment and delivery and wastewater treatment and disposal services to customers outside The City's municipal boundaries through bi-lateral Master Servicing Agreements (MSA) and per City Council policies.

The City has provided exclusive water and wastewater servicing to the City of Airdrie (Airdrie) since 1976, making Airdrie Calgary's largest regional customer. The current Master Servicing Agreement (MSA) with Airdrie came into effect on 2015 January 1 and expires on 2035 January 1.

City Council holds authority to approve new servicing agreements and set regional customer rates. Regional customers represent approximately 10 per cent of the City's customer base, six per cent of total consumption or treatment volumes, and four per cent of utility revenue. The City does not currently provide stormwater servicing to regional customers.

MSAs are updated each business cycle to document the annual contracted water and wastewater volumes for a four year period. These contracted volumes are a critical input to 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 per cent of the cost of providing the regional service.

Previous Council Direction

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2025 July 29	IGA2025-0546	Council Adopted the amended Regional Water, Wastewater and Stormwater Servicing Policy (CP2018-01).
2024 January 30	IGA2023- 1281	Council Adopted the updated Policy on Regional Water, Wastewater and Stormwater Servicing (CP2018-01).
2018 February 26	IGA2018-0089	Council adopted a new Policy on Regional Water, Wastewater and Stormwater Servicing (CP2018-01).
2015 August 11	N/A	New Master Servicing Agreement fully executed. Effective 2015 January 1 and expires January 1, 2035.
2014 October 27	C2014-0790	Council directed Administration to reserve, in principle, up to 27,200 ML of water from The City of Calgary's Water License capacity to provide water services to Airdrie, Strathmore and Chestermere for 20 years in accordance with their new Master Servicing Agreements from 2015 to 2035, subject to confirmation and Council approval every four-year business cycle.

1977 February 28		Agreement between Town of Airdrie and The City of Calgary for Sanitary servicing.
1976 January 26		Council approves supply of water to Town of Airdrie through Mountainview Regional Water System (MRWS) owned by the Province.

Bylaws, Regulations, Council Policies

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

Policy on Regional Water, Wastewater and Stormwater Servicing (CP2018-01)

Regional water and wastewater servicing aligns with The City's *Policy on Regional Water, Wastewater and Stormwater Servicing (CP2018-01)*. This policy:

- Provides Administration direction on how to administer requests for Regional Servicing;
- Provides Administration direction, on the types of information required to evaluate the impacts and risks associated with Regional Servicing and support Administration's recommendations to Council on Regional Servicing requests and;
- Defines decision-making authority for Regional Servicing requests.

Triple Bottom Line Policy (LUP003, EM003, CS003)

Regional water and wastewater 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 and wastewater 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 and wastewater 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.