



2024 A.G.M.
Board Report

Good Evening Everyone,

On behalf of the Board of Directors, our Management team and our staff, welcome to our 2024 Annual General Meeting for the Gull Lake Deer Creek Gas Co-op Ltd.

G.L.D.C. Board of Directors

Dennis Duncan - Vice Chairperson & Chair of Finance

Leah Pready - Chair of our Governance Committee

Gerry Hoar - Secretary/Treasurer

Ron Sperber

Ken Buist

George Smith

Bryan Wiese

Jeff Bajema

Bert Paulssen - Chairperson of the Board

Our Board is made up of the following Members in Good Standing and they are:

- Dennis Duncan Vice Chairperson & Chair of Finance
- Leah Pready Chair of our Governance Committee
- Gerry Hoar Board Secretary
- Ron Sperber
- Ken Buist

- George Smith
- Bryan Wiese
- Jeff Bajema
- Bert Paulssen Chairperson of the Board

These people dedicate themselves in a profound way and provide service to our community that we all enjoy. Thank you to all of you for helping make our lives better.

Last year we talked about what makes cooperatives so different from other business models, how we leverage our relationship with the Government of Alberta, who this year will contribute 6.3M dollars to the Rural Gas Grant Program. We shared with you the plans we had that would see the G.L.D.C. continue to be sustainable with new infrastructure being installed, our office spaces increased, and the plans we had to raise our resilience in

the ever-changing landscape across Alberta. Nothing has changed in so far as how these issues are being dealt with by both the Board and our Management Team. We continue to replace our buried infrastructure and we are doing everything within our capacity to better manage our loss of gas.

This past year saw a significant improvement in Gas Loss; however, we are cautiously optimistic that the problem is gone. We had a few things work in our favour this year and we will continue to monitor our progress and hope it lasts.

We would like to talk a little bit about our Governance Model and how we try to keep all Members of the Board engaged. Board Governance is our road map to how we engage and interact as a Board, and how

we behave when we do not have consensus on a decision.

In medium-sized businesses, much like ours, the Board meets once a month with little to no contact or engagement between Board Meetings. It can be quite challenging to keep the Board knowledgeable and up to speed on many of the issues that impact the co-op. At the G.L.D.C. we use a common Governance Model similar to most businesses, that operates on the basis that any decision made in the Boardroom is considered unanimous outside of the boardroom.

Every decision of the Board must be supported by the entire Board irrelevant of your own personal view. All decisions are made by the Board, not by individuals. The Board speaks with "one voice" and the Board has in reality, only one employee. No Board member instructs or engages with staff on their duties! To help maintain Board engagement we have two committees that meet on average bi-monthly, and each Board Member helps populate one of the two Committees.

We have a Finance Committee and a Governance Committee. Both these Committees do a deeper dive into their respective areas and report to the Board as a whole. Any recommendations from the Committees need a Board Motion to approve. As we deal with a lot of matters that are sensitive, from Member accounts to Salaries and HR issues, the Board signs a confidentiality agreement. Not to be taken lightly, a breach of confidentiality is a very serious matter.

At the same time, our Manager, cannot have nine different bosses coming forward with nine different views. Decisions are made in the Board room; everyone knows and gets the same message. Once a decision is made and voted on it does not get re-opened unless there is new information that has not been considered.

The Board and Management developed a Strategic Plan that would see the Co-operative build for growth and to replace aging infrastructure. Everything we currently do is to improve our resilience and sustainability, while at the same time ensuring our rates are competitive and our service levels to the Members is at the highest level possible. We do everything possible to guard against rate shock, cash calls, and system disruption. You will always get a heartbeat on the phone and a service person within 24 hours or sooner!

Thank You



Good evening,

I would like to start by thanking the Board of Directors for their continued support, and the Staff for their hard work and dedication to meet and live up to our Core Values.

I will take a moment to introduce the staff for everyone.

STAFF INTRODUCTIONS

DARREN WEENING
ASSISTANT MANAGER

27 yrs



KAREN STRAIN
OFFICE MANAGER, ACCOUNTS PAYABLE

23 years



STAFF INTRODUCTIONS

MARK BUWALDA
SENIOR OPERATOR

11 YRS



KAYLA MILLAR
ADMINISTRATIVE SPECIALIST, BILLING AND
GAS BALANCING

11 YRS



STAFF INTRODUCTIONS

JACQUELYN MACKEY
ADMIN & ACCOUNTS RECEIVABLE

5 YRS



LISA LA ROSE
RECEPTION & EXECUTIVE ASSISTANT

2 YRS



STAFF INTRODUCTIONS

KIM CRETNEY

ADMINISTRATIVE SPECIALIST - SLMS

2 YRS



IVAN BOTT

UTILITY OPERATOR CONST. SUPERVISOR

14YRS



STAFF INTRODUCTIONS

CORY CECH
UTILITY OPERATOR, GAS FITTER

6 yrs



TYLER SARGENT
UTILITY OPERATOR, GAS FITTER

6 yrs



STAFF INTRODUCTIONS

ARNIE VAN ANKUM

UTILITY OPERATOR / EQUIPMENT OPERATOR

5 yrs



BRYAN SVED

EQUIPMENT OPERATOR / WELDER

5 yrs



STAFF INTRODUCTIONS

WILL WEENINK
UTILITY OPERATOR

3 yrs.



PEYTON BRESEE
UTILITY OPERATOR

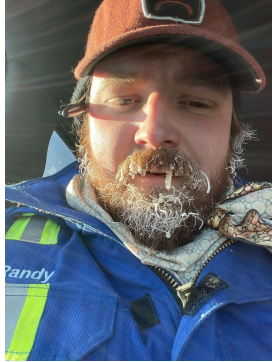
2 yrs



STAFF INTRODUCTIONS

RANDY MACONOCHIE
GASFITTER, UTILITY OPERATOR

1 yr.



DON HOSKIN
GENERAL MANAGER

35 yrs.





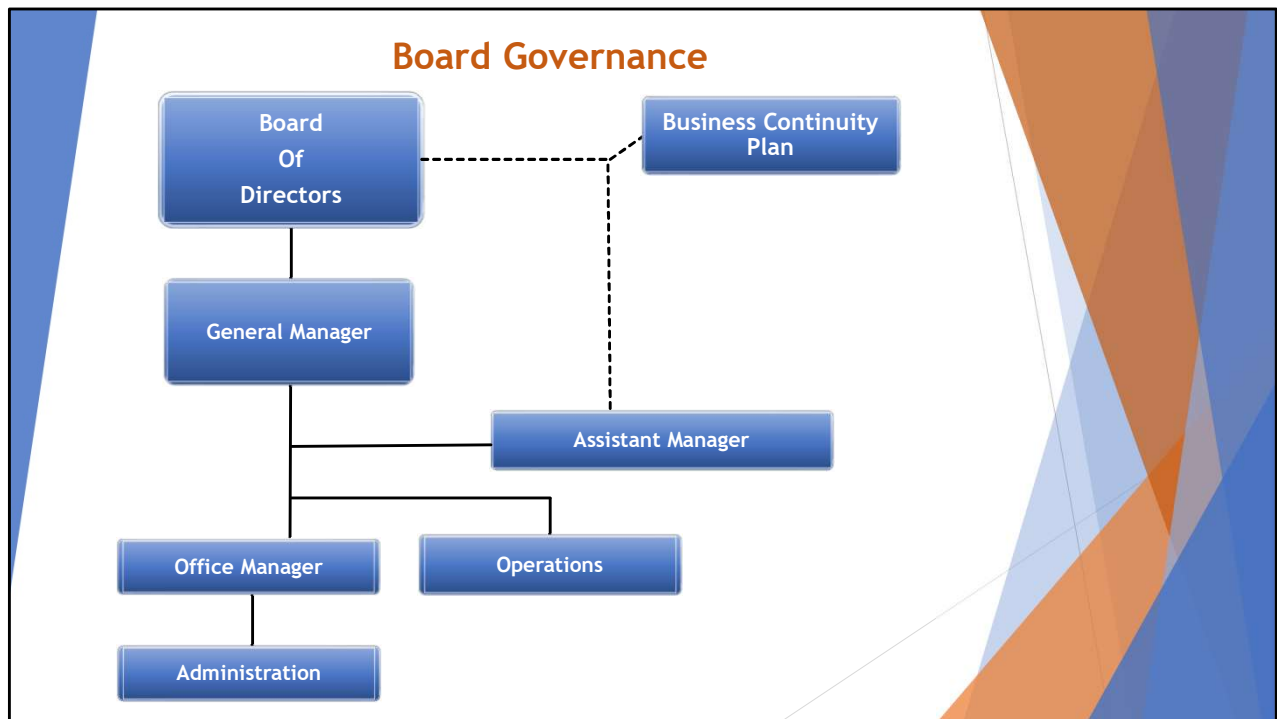
We have been working very hard this year to update our Compliance Management, which has become a complex Combination of Legislation, Codes and Regulations.

The big pieces are:

- Rural Utilities Act and Regulations
- AER Directive 056 – Energy Development Applications
- AER Directive 071 – Emergency Preparedness and Response
- Gas Distribution Act
- Pipeline Act and Rules
- Occupational Health and Safety Act, Regulation and Code
- CSA - Z662.23 Pipeline Standard which includes the requirement for a Safety Loss Management System.
- CSA Z246.2 Emergency Preparedness and Response
- Technical Standards and Specifications Manual for Gas Distribution

- Operations and Maintenance Manual
- CSA B149.1 Natural Gas and Propane Installation Code

Additionally, there are several codes that affect us that are indirectly related to our installations.



Here is a high-level glimpse of how our Business Continuity Plan is structured.

- I have compiled all the data and requirements that fall under the General Manager's role, for the Board and Assistant Manager who will have access to our critical Business Continuity documents.
- We are working hard to have cross training for every task undertaken by staff. Every role will have a back-up.
- This will ensure the Co-op continues to operate in the event any key role is suddenly vacant.



OPERATIONS REVIEW

Operational tasks include.

- Measurement Canada Recalls and re-certifications.
- Monthly RMO Inspections
- Annual RMO Inspections
- Bi-annual regulating station inspections
- Leak detection and ROW patrols
- Cathodic protection surveys
- Line valve annual inspections.
- Line locating as required.

Operational review.

- We completed 104 Measurement Canada Recalls and re-certifications. This was a small year due to the random rotation of Measurement Canada rules.
- Monthly RMO Inspections for 19 locations
- Annual RMO Inspections, which is a more thorough inspection required by the AER
- Bi-annual regulating station inspections at 17 sites.
- Leak detection and ROW patrols about 16 km's of high pressure pipe annually,

And low pressure pipe on a 5 year rotation.

- Cathodic protection surveys annually on all station risers, and metallic pipe systems.
- Line valve annual inspections, we operate every shutoff valve within our system to ensure proper function in the event of an

emergency, this includes the 37 regulating stations plus about 25 isolation valves throughout the area.

- Line locating, last year we responded to over 1300 locate requests for 3rd party excavations.



System Upgrades

System Upgrades & Loop Lines – We continue to replace failing legacy pipe that has been in service since before 1968 when the co-op was formed.

Every heating season we monitor new load requirements of our members and monitor pipeline end pressures to help identify weak points in our system due to organic growth.

We have deployed approximately 50 analog end pressure gauges and recently 3 “Pressure Rangers”, which through our SCADA communications system report and record live pressures.

We use this data to monitor our system performance and can identify areas where the required volumes are no longer met.

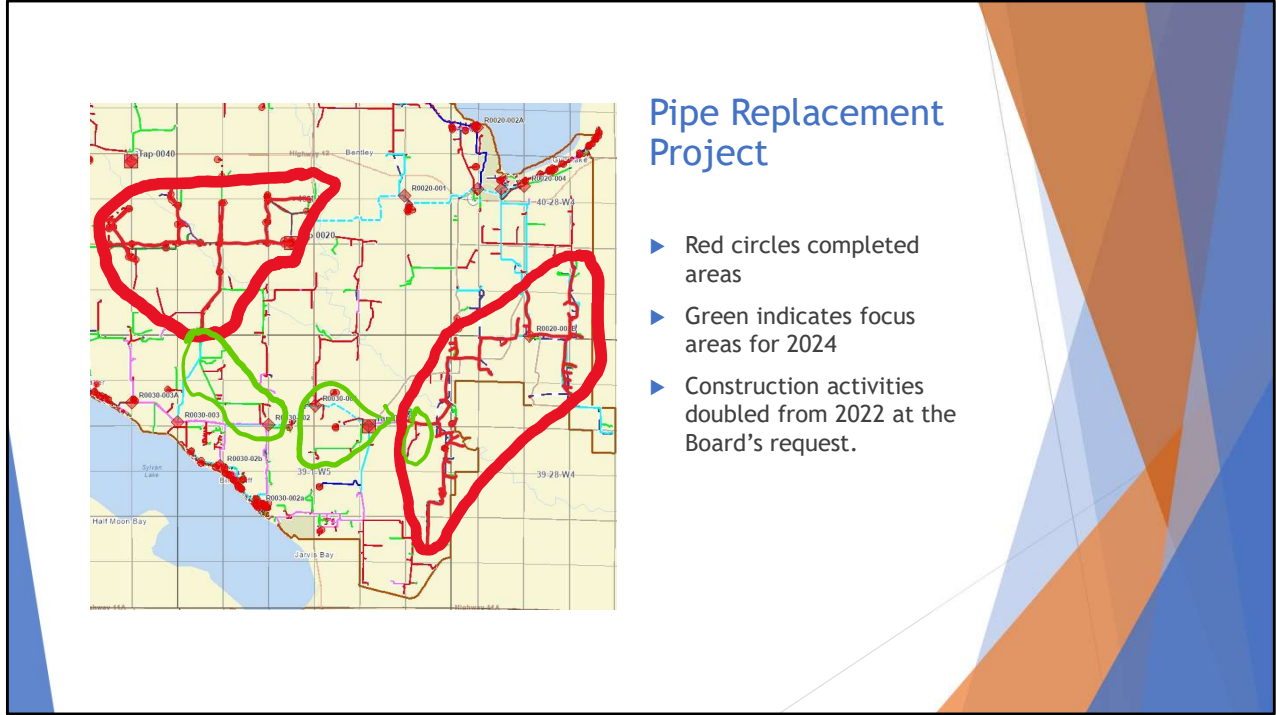
We also have a replacement plan for our critical regulating stations to ensure they operate properly and continue to flow required volumes.

Looping, replacement, and upgrading above ground and below ground infrastructure requires a strong method of Asset tracking, our GIS system has been updated to sync meter locations with names and meter information. We also have access to title mapping which we can use to determine landowner contact information.

March 2024 actual bill comparison All about 9 GJ's

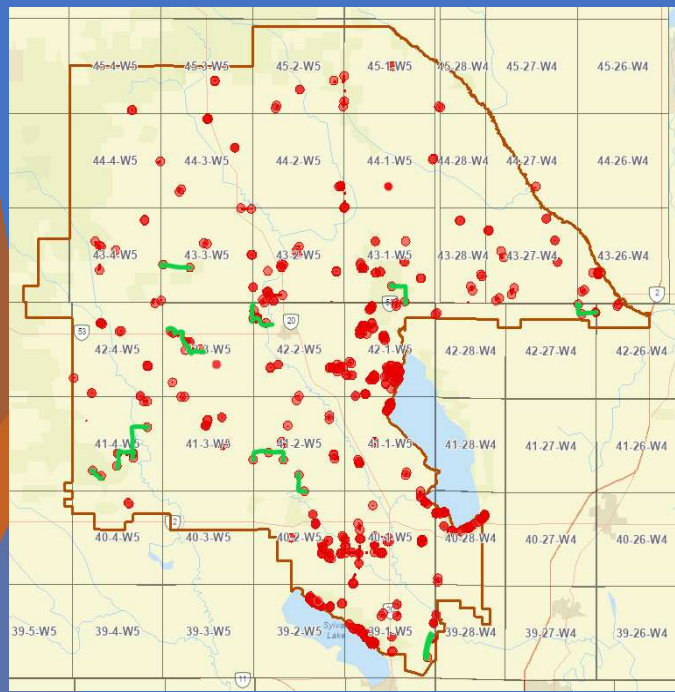


In July of 2023, we were forced to react to inflation and adjusted our Operating fee by \$3/Mth to \$33, and our Transportation fee increased by 15 cents/GJ to \$1.45. As a reference for you I have collected 3 similar volume Investor-owned utility bills against 1 of ours. As you can see, at about 9 GJ's consumption we were about \$40 less for the month of March of this year.



Our Business Plan was designed with replacing at least 10 km's of legacy pipe each year.
Last year we replaced 10.9 km's.
The areas within the red circles have been completed
The areas in the green circles are our priority.

Line Looping due to organic growth 2019-Present



The green lines indicate where we installed emergent loop lines to prevent gas outages where the volumes have exceeded original design due to consumer growth.

In 2023 we installed 6.9 km's of pipe for system looping.



We continue to be plagued with leaks on our legacy pipe.

We prioritize areas using our leak repair history

2019 - present

The red dots and lines on the map represent the surveyed lines installed in this time.



To summarize our 2023 construction year:
We completed 19 Rural infills, 17 Urban Infills
Which equals 16 km's for new installations, 11 km's for upgrades, 7
km's of looping and around 6 km's of re-routes and line moves.
For a record year of almost 41 km's of pipe put in the ground.

Community Involvement

Federation of Alberta Gas Co-ops Achievement Award Scholarship \$1000



Donations of Time, Cash or Promotional Items

- ▶ Rimbey Fish & Game
- ▶ Blindman Valley Lions Club
- ▶ Gimlet Rodeo
- ▶ FCSS - Many events
- ▶ West Country Outreach School Awards
- ▶ Rimbey Women's Conference
- ▶ Rimbey U11 Hockey Spring Showcase
- ▶ Bentley School Reunion
- ▶ Rimbey Elementary Chili Cook-off
- ▶ Rimbey Drop-in Center
- ▶ Junior High School Rodeo Finals
- ▶ Bionic Golf Tournament (Gull Lake Golf Course)

The Federation Scholarship is rewarded to 2 candidates from around the Province every year. Based on their academic achievements and goals. The candidates must apply and provide an essay to be considered.

Grace Houston from our Co-op area won this award last year.

We try to participate in many community events and contribute to several events within our community.

This involvement includes contributions like donations of Bottled Water, Promotional items and sometimes Cash.

Some of the larger contribution recipients were focused on the local and area and our Youth

For example:

The Rimbey Hospital Legacy Golf Tournament and Oktoberfest fund raisers

Rimbey Junior High School Rodeo Finals

The Agrim Centre and Ag-Society

Rimbey Food Bank – The service staff donate their December On-call pay to the Rimbey Food Bank; We match their contribution every year. This Christmas their donation was \$1000 which the Co-op matched.

“

Coming together is a beginning.
Keeping together is progress.
Working together is success

”

Henry Ford



Thank you

Questions?