Good afternoon, Ladies and Gentlemen and welcome to our A.G.M..

First, I would like to thank our Board of Directors for their ongoing input and support.

I would like to introduce our staff,

In the office we have,

- Karen Strain, our Office Manager
- Kayla Millar, Gas Billing
- Jacquelyn Mackey, Accounts Receivable, and Admin
- Kim Cretney, Reception and HSE Admin
- Lisa La Rose, Reception and Admin

Our service staff are,

- Darren Weening, our Operations Manager
- Dennis Semenyna
- Mark Buwalda
- Ivan Bott
- Tyler Sargent
- Cory Cech
- Arnie Van Ankum
- Bryan Sved
- Will Weenink
- Peyton Bresee, who joined our team at the 1st of May.

Thank you to all the staff for their efforts over the past year. The past two years have been uncertain at best.

Before I start my update, I have an important bit of business to conduct. Could Darren Weening please come forward. (Trophy presentation) 25 years of service award.

If you have been at any of our past meetings, you will note the growth of our staff over the past 3 years. This is due to two factors.
First, we made the move to own our own equipment and install our own infrastructure, with a 10-year plan for legacy pipe replacement.

Secondly, the need for new services has increased significantly.

Along with all of this we identified 9 areas of concern for low end pressures during the cold snaps we have been getting. I refer to these as “emergent loop lines”. These low pressures are caused by the organic addition of members over the years. More members mean higher demand, until demand exceeds the capacity of the existing infrastructure.

In **2021**, GLDC delivered approximately **665,000** GJ’s of Natural Gas to our members, just under the amount sold in 2019.

We completed over **1500** requests for gas line locates, down a little from 2020, but above the 5 year average. Approximately **193** Measurement Canada mandated meter recalls, and additionally, due to unexpected battery failures, we completed **257** index replacement meter changes.

ERT issues continue to plague us as more fail each year. In the spring we changed over **300** failed ERT devices. This is the part of the meter that communicates through radio frequency for our meter readers. By the end of December, we had approximately **800** more suffer premature failure.

As the failure rate took a significant hike for 2020, we anticipated the failures would become more frequent and sooner rather than later. We took delivery of **500** ERT's early this year with **2000** to be delivered in December. Due to availability and still having little information as to why the devices fail in our extreme cold climate. Even though we had the devices by January 1st, we could not begin our replacement project until we received Measurement Canada seals, which arrived in late February. Since the first of March we have replaced over **900** failed ERT devices with approximately **1500** devices of the same vintage scheduled for change out this year. We will continue to replace all of our indexes through meter recall or on-site inspections by end of year 2022. The manufacturer did offer a highly reduced price for our replacement ERT's.

For construction, we installed **27** rural infills, **31** urban infills, **18** re-routes or changes to service, and approximately **10** km's of loop line totalling just over **50** km's of pipe installed. Which is more than double the **19** km's for the previous year of pipe installation.
We still have **8** km's of emergent looping, **8** km's of replacement pipe on Tap 20, and a possible 300 lot subdivision on the North end of Sylvan scheduled for 2022. Depending on the weather we could get close to the 50 km's again. We have had more inquiries to date than any previous year we have experienced since 1997. The recent increase in the price of propane has been a terrible shock for those still using propane to heat their homes.

The Carbon Levy increases continue to affect our cash flow, due to added hardships for some member's who are having trouble or simply not paying their gas bills.
We must pay Revenue Canada monthly, so this leaves the Co-op carrying this burden over a 1-3 month period.
This has created an ever-increasing demand for "in-person" collection phone calls and site visits for overdue accounts and lock-offs. Taking up numerous hours on the phone and on truck rolls to collect. Timely payments would provide us with both staffing and cost efficiencies.

We purchased Tap 20, a new modern RMO building. (RMO stands for regulating, metering and odorization). We purchase our gas off the TransCanada system un-odorized, so these structures are a critical part of our system.

Our goal has been to replace 1 RMO building per year, and 3 line heaters in the next 3 years. Due to supply chain issues, the Tap 20 construction was delayed beyond the warm weather season when we prefer to do the switch overs. Therefore, in 2022 we will replace the Tap 20 equipment and take delivery and replace Tap 50/230 on the West Lake Road. This site currently contains 2 RMO's carried over from prior to the amalgamation. We will streamline efficiencies at this site with one large RMO Supplying both systems.

You can clearly see in our financials, the benefits of owning our own equipment. Our self construction venture has added benefits in both economies and convenience. The savings we achieve in doing our own work are re-invested into infrastructure and capital investments that strengthen our Co-ops position financially into the future.

You will notice, our Construction activities added $1.2 million dollars worth of much needed infrastructure. Our Cash on hand would have remained at the 2020 level had we not been forced to replace the ERTs ahead of schedule.

We continue to be focused in keeping the benefits of belonging to the Co-op for our members, ensuring the system is sustainable into the future.

With all our replacement projects and new construction, land permissions can be difficult. I would like to remind all landowners of the importance of our cooperative spirit. It was this spirit that built our system in the first place, it is this spirit that will keep us sustainable and safe.

Our total riser count sits at approximately **3005** active and idle. Our underground infrastructure totals almost **2050 km's of buried pipe.** Which, if you were to lay it out end to end, would reach from here to the **Thunder Bay Ontario.**

In the last few years pipeline operators have been faced with many new or re-written codes, all these new pieces require more reporting from operators. We continue to plan for the necessary and legislated upgrades to different aspects of our business, which now includes a much stricter policy for producing and retaining integrity and safety records which go hand in hand. Plus, an added infrastructure tax for high pressure lines has been implemented by the AER (Alberta Energy Regulator). ~ *$3000/yr*

Security of Supply, we continue to look ahead and remain aware of the changing scenario of aging pipelines in Alberta. We receive updated lists of TransCanada's pipeline abandonments on a regular basis and so far we have not been significantly affected. We hope our central location helps prevent the need to shut-in one of our supply pipelines.

To ensure safe operations, GLDC undergoes a Federation of Alberta Gas Co-ops peer review audit every 3 years to ensure the Board and staff are operating our utility in a safe and compliant manner. This review is overseen by the Director of Rural Utilities and is a major part of the process for keeping our license to operate. We continue to receive excellent scores, with very few non-critical deficiencies which are easily rectified.

We are proud of how we score, and we continue to receive assurances from the Director of Rural Utilities, Jason Cathcart, the Pivotal LLP Auditors Don Oszli and Stacey Poier, Solicitor Ray Purdy, and the Executive Director of the Federation of Alberta Gas Co-ops, Tom Kee. *(Next audit 2023?)*

It is a privilege to serve our members and we look forward to another exciting year.
Thank You