

**Council’s Role as Shareholder, Regulator and Contracting Party**

The following matrix provides high level descriptions of the role of Council with respect to EPCOR as shareholder, regulator and as a contracting party.

	<b>Council as Representative of the Shareholder</b>	<b>Council as Utility Regulator</b>	<b>City as Contracting Party</b>
<b>EPCOR Entities</b>	EPCOR Utilities Inc. and all subsidiaries	EPCOR Water Services Inc.	EPCOR Utilities Inc. and all subsidiaries
<b>Primary Role</b>	<ol style="list-style-type: none"> <li>1) Appoint and remove directors of EPCOR</li> <li>2) Amend corporate documents</li> <li>3) Appoint EPCOR’s auditor</li> <li>4) Approve disposition of substantial assets owned by EPCOR</li> <li>5) Review and amend Dividend Policy</li> </ol>	<ol style="list-style-type: none"> <li>1) Establish rates and terms and conditions of service and for utility services provided within Edmonton</li> <li>2) Monitor Utility performance</li> <li>3) Establish consultation and approval framework for the development of the SIRP</li> <li>4) Monitor implementation of the SIRP</li> <li>5) Pass Bylaws dealing with utility services and how Council regulates them</li> </ol>	<ul style="list-style-type: none"> <li>● Authorize the City Manager to negotiate and execute agreements consistent with Letter of Intent to facilitate the transfer of the Drainage Utility</li> </ul>
<b>Public Participation</b>	<ul style="list-style-type: none"> <li>● EPCOR Annual meeting is open to public</li> <li>● Shareholder meetings are private.</li> </ul>	<ul style="list-style-type: none"> <li>● Utility Committee and Council reports and meetings are public unless private meeting is justified pursuant to the <i>Freedom of Information and Protection of Privacy Act</i></li> </ul>	<ul style="list-style-type: none"> <li>● Agreements are generally disclosable to the public with redactions to address privacy and proprietary concerns</li> </ul>
<b>Primary Governing Rules</b>	<p>EPCOR Corporate documents:</p> <ol style="list-style-type: none"> <li>1) Unanimous Shareholder Agreement</li> <li>2) Corporate Bylaws</li> <li>3) Articles of Incorporation</li> <li>4) Agreement Relating to Subsidiary Corporations</li> </ol>	<ul style="list-style-type: none"> <li>● City Bylaw 12300 - Procedures and Committees Bylaw</li> <li>● City Bylaw 12294 - EPCOR Rates Procedures Bylaw</li> <li>● City Bylaw 16200 - Drainage Bylaw</li> </ul>	<ul style="list-style-type: none"> <li>● City Bylaw 12300 - Procedures and Committees Bylaw</li> <li>● City Bylaw 16620 - City Administration Bylaw</li> </ul>
<b>Most Relevant Laws</b>	<ol style="list-style-type: none"> <li>1) <i>Business Corporations Act</i> (Alberta)</li> <li>2) <i>Municipal Government Act</i> and</li> </ol>	<i>Municipal Government Act</i>	<i>Municipal Government Act</i>

**Attachment 2**

	<i>Control of Corporations Regulations</i>		
<b>Considerations of Council</b>	Best interests of the City	Just and reasonable rates and terms of service	Best interests of the City
<b>Audit Rights</b>	<ul style="list-style-type: none"><li>• Appoint external auditor</li><li>• Authorize Investigation into the business and affairs of the Corporation</li></ul>	<ul style="list-style-type: none"><li>• Regulator may request utility audits</li></ul>	<ul style="list-style-type: none"><li>• Audit rights included in agreements as appropriate</li></ul>