



Date 3 June 2011

City Council Committee Report

To: Mayor Canfield & Members of Council

Fr: Karen Brown

Re: Service Agreements with Kenora Hydro and Kenora Energy

Recommendation:

That Council hereby approves entering into a Maintenance and Service Level Agreements between Kenora Hydro Electric Corporation Ltd. and the City of Kenora as of January 1, 2011; and

That Council hereby approves entering into a Maintenance and Service Level Agreements between Kenora Energy Corporation Ltd. and the City of Kenora as of January 1, 2011; and

That the appropriate by-laws be passed for these agreements; and further

That By-law #147-2009 be hereby repealed.

Background:

Kenora Hydro and the City currently have in place a Maintenance and Service Level Agreement (By-law #147-2009) between Kenora Hydro and the City to provide various services to each other. These services include, but are not limited to, street light maintenance, meter reading, customer service, billing and collecting.

In order to satisfy various requirements under the legislation and rules that govern hydro distribution companies and their affiliates, Kenora Hydro is required to ensure that any street light maintenance performed on behalf of the City is performed under its affiliate, Kenora Energy. As a result, the City is required to replace the current agreement with Kenora Hydro, and in its place pass two separate agreements – one with Kenora Hydro and one with Kenora Energy.

There is no change in the services provided under this agreement. This is being done simply to formalize the required service relationship between the City and these two affiliated entities. The new agreements have been reviewed by the

City solicitor. This matter is strictly housekeeping in nature.

Budget:

n/a

Communication Plan/Notice By-law Requirements:

Kenora Hydro and Kenora Energy will be advised of Council's decision in this matter.