

2023

YEAR IN REVIEW

20th ANNIVERSARY EDITION



WHO WE ARE



Aquatera Utilities is a municipally owned corporation headquartered in the Grande Prairie region and is a leading provider of water, wastewater, and solid waste services throughout Alberta. We play an integral role in growing healthy communities while supporting economic development in our service territories.

COMPANY HISTORY

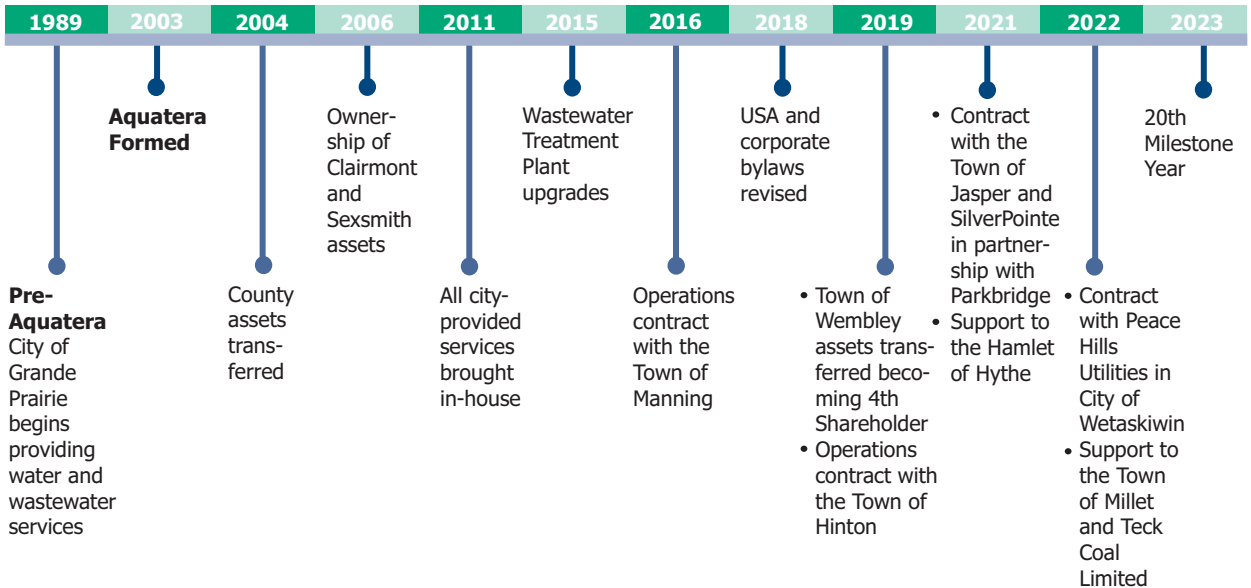


TABLE OF CONTENTS

OPERATIONAL EXCELLENCE 09

STAKEHOLDER ENGAGEMENT 12

CULTURE, LEADERSHIP, & TALENT 16

FINANCIAL OVERVIEW 18

VALUE FOR SERVICE 19

PLANNING FOR GROWTH 20



CORE PURPOSE

Growing Healthy Communities



MISSION

We provide high-quality, environmentally sustainable utility services and optimize value to customers and Shareholders



VISION

Trusted experts delivering ideal solutions and services essential to growing healthy communities

CORE VALUES



SAFETY

We value each other's safety and the safety of our communities and customers



TEAMWORK

Working together to achieve common goals and ensuring ongoing communication with customers and stakeholders



QUALITY

We provide quality customer service by delivering high-quality products and services



RESPECT

We operate with the utmost respect for our customers, employees, Shareholders, general public, and the environment

WORDS OF CEO



Vaughn Bend
Chief Executive Officer

As I reflect on the past year, I am filled with gratitude for the dedication and resilience displayed by each member of our team. Despite the challenges we faced, together we have achieved remarkable milestones and continued to drive our vision forward.

As we embark on another year of growth and success, I want to take a moment to reflect on one of those significant milestones we celebrated last year, our company's 20-year anniversary. It was a momentous occasion that allowed us to look back on two decades of achievements, challenges, and growth, and to celebrate the journey that has brought us to where we are today.

Our 20-year anniversary was not just a celebration of longevity, it was a celebration of resilience, innovation, and the commitment of our team. Over the past two decades, we have faced numerous challenges and uncertainties, but through it all, we have remained steadfast in our dedication to excellence and our passion for making a difference in our industry.

In 2023, Aquatera provided over \$224,000 in cash and gift-in-kind sponsorships, and partnered with Recycle Plus to provide an additional \$30,000 through the Bottle Donation Program to non-profit organizations in our service region. Since inception, more than \$1 million has been invested back into our community through this program.

We are once again pleased to declare \$5.5 million in cash dividends for our local Shareholders.

I believe we are strongly placed in the market, with culture being our competitive edge. It is for this reason that Aquatera was named an Alberta Top 75 Employer for a second consecutive year. To continue building a strong workforce and create an optimal employee experience, we remained focussed on our attraction and retention strategies through professional development, succession planning, and promoting career opportunities within our industry.

Training and professional development plays an invaluable role in our organization and the growth of each of our team members. As we continue to strive for excellence in everything we do, investing in the development and enhancement of our skills is paramount. In 2023, Aquatera held our first annual Water|Earth|Innovation Conference (WEIC), continuing to invest in the essential and specialized development of our employees. This was a tremendous success.

Last year, we found ourselves confronted with unforeseen circumstances that prompted a local state of emergency due to widespread fires throughout the County of Grande Prairie. Despite the challenges, I am proud to say that our team rose to the occasion with resilience, creativity, and unwavering dedication. We adapted to the circumstances seamlessly, continued to serve our customers with excellence, and supported each other through uncertain times. Our ability to come together as a community in the face of adversity is a testament to our strength.

As we continue to build on Aquatera's strong foundation, we will focus on developing our people, leveraging our collective expertise and enhancing our working environment. In so doing, we will strengthen the entrepreneurial spirit that underpins our culture, growth, and success. I would like to thank the Aquatera team for their dedication and commitment to our communities.

BOARD OF DIRECTORS



Tracy Allard
Director



Naseem Bashir
Director



Mary Bulmer
Director



Barbara Feit
Director



Andrew S. Fraser
Director



Rob Petrone
Director



Jim Smith
Director



Derek Van Tassell
Director



Dave Urness
Director



Mark Wiltzen
Director

WORDS OF BOARD CHAIR



Lionel Laflamme
Board Chair

Aquatera had a safe, successful year in providing excellent services to existing and new customers. The continued focus on building a strong organization and meeting customer needs was recognized when Aquatera was named one of Alberta's Top 75 Employers for a second consecutive year. Employees can take pride in the recognition their organization receives and the culture they are creating in making the company a great place to work.

With a strong growth strategy approved by the Board and a focus on results, the efforts of management and employees are meeting the economic challenges and ESG (Environment, Social, and Governance) requirements associated with a utility company. The evolution of the organization's culture shows the employees commitment to meet these challenges through innovation and collaboration by achieving key operating parameters while minimizing the financial impact on customers.

Growth through the company's strategy of providing services to other municipalities continues to progress with a major contract for the City of Wetaskiwin's Peace Hills Utilities. It is very encouraging to see that Aquatera is being considered by other municipalities to provide their region with our services based on Aquatera's organizational strengths, expertise and excellent safety and operational records.

With operating contracts in place or under development with other municipalities, the Board is confident that the company's strategy will continue to grow returns to its Shareholders. The Board-approved strategy is leveraging its core competencies and building a strong organization with individuals with expertise and experience to fill important management and development leadership roles.

The Board has full confidence that the corporation has the ability to sustain high company and performance standards while meeting the expectations of our existing and future customers.

The Board and CEO have built a positive relationship which support the company's strategies and meets the Board's oversight responsibilities for the company. The internal and external third-party audits confirm the integrity of the company's operations.

The Board has undertaken its annual program of recruiting future directors with the skills and experience necessary for ensuring proper guidance and oversight systems are in place. In 2023 we welcomed Tracy Allard, Derek Van Tassell, and Naseem Bashir to the Board as Directors.

I would like to thank all the company's directors for their contributions and commitment over the past year. Corporate Governance is well managed by the Board's composition. Our independent Board is an essential part of company governance to meet the shareholders expectations of growth and results that benefit the regions they represent.

2023 HIGHLIGHTS

20th ANNIVERSARY - MILESTONE YEAR



SAFETY AND HUMAN RESOURCES

1.88 Total Recordable Incident Rate (TRIR)

84% Certificate of Recognition (COR™) internal audit score

2023 Alberta's Top 75 Employer

SOLID WASTE

13,882,000 kgs of garbage collected curbside

11,900 kgs of Styrofoam processed at the Eco Centre

1,375,000 kgs of recycling collected curbside

192,362 kgs of e-waste collected at the Landfill and Eco Centre

7,982 MWH of electricity generated from captured landfill gas (enough to power 6,800 homes for an entire year)



COMMUNITY GIVING

\$224,000+ in cash sponsorships



\$30,000+ in gift-in-kind

\$24,000+ cash and gift-in-kind donated to contracted service communities

WATER | WASTEWATER

23,400 m³/day average daily water usage

19,541 m³/day average daily flow returned to the Wapiti River

8,944,029 m³/year raw water diverted

44,756 m³/year septic disposal received



35,227 tonnes/year sump received

GROWTH

Obtained full operating custody of the City of Wetaskiwin's Peace Hills Utilities Water and Wastewater Treatment Facilities

Relief operations support in Hamlet of Grande Cache, Teck Coal Limited, Town of Millet, and Town of Drumheller



Celebrating second successful year of operation in the Municipality of Jasper

Aquatera harnesses solar power as a hedge against rising electricity costs

Recycled effluent for hydraulic fracturing vs utilizing fresh water



CUSTOMER SERVICE

5,375 work orders completed

23,182 Account Services calls received

57 Net Promoter Score (NPS) positive customer engagement results - *50 is considered world class*

BOTTLE DONATION PROGRAM

\$30,000+ donated through the Bottle Donation Program



\$1M+ raised since the program's inception



FINANCIALS

Cash flow from operations \$26.9M

Revenue \$75.2M

Expenses \$59.3M

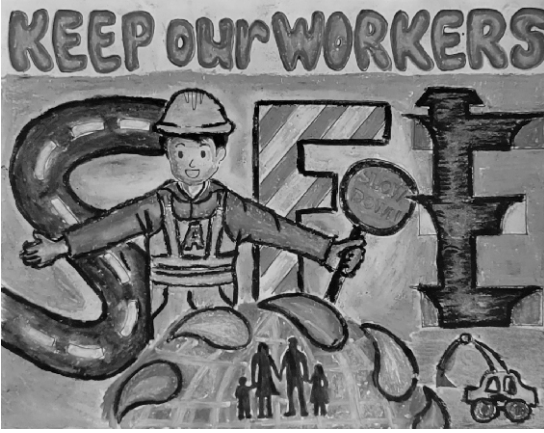
\$5.5M paid to Shareholders in cash dividends

\$31M in capital investments

43,644 tonnes in carbon credits

OPERATIONAL EXCELLENCE

SAFETY



Aquatera's employees are the driving force behind our strong, safety-focused culture. They play an integral role in helping Aquatera deepen its understanding of the safety culture within the company, and their perspective ensures we achieve our safety goals related to risk reduction, safety engagement, and the provision of water, wastewater, and solid waste services.

In 2023, Aquatera refined process improvements, increased reporting targets, and actively campaigned to focus on identifying risks in the workplace. Employees have embraced these improvements, supporting us in sustaining our safety performance. In 2023, we documented a Total Recordable Incident Rate (TRIR) of 1.88.

In an effort to prioritize the safety of our workers and raise awareness with drivers about the hazards associated with work on roadways, Aquatera organized an internal

contest focussed on designing safety signage to be displayed on fleet vehicles. These signs act as a visual cue for drivers, reminding them that the workers in the area have families and loved ones who are expecting them to arrive home safely at the end of the day. The purpose is to encourage drivers to reduce speed and adhere to signage, thereby supporting the safety of workers and preventing accidents.

The success of our safety focus was also demonstrated through the completion of our Certificate of Recognition (COR™) internal audit. Aquatera achieved a score of 84 per cent, maintaining our Partnership in Injury Reduction Certificate of Recognition.

We continue to focus our efforts on creating a safer work environment and reducing our TRIR.



ENVIRONMENTAL STEWARDSHIP

Aquatera remains a model of environmental stewardship and we continually look for opportunities to reduce our environmental impact. We understand the importance of operating in an environmentally ethical and trustworthy manner and practicing sound environmental management. To meet these goals, our employees work to ensure compliance and minimize our environmental impact.

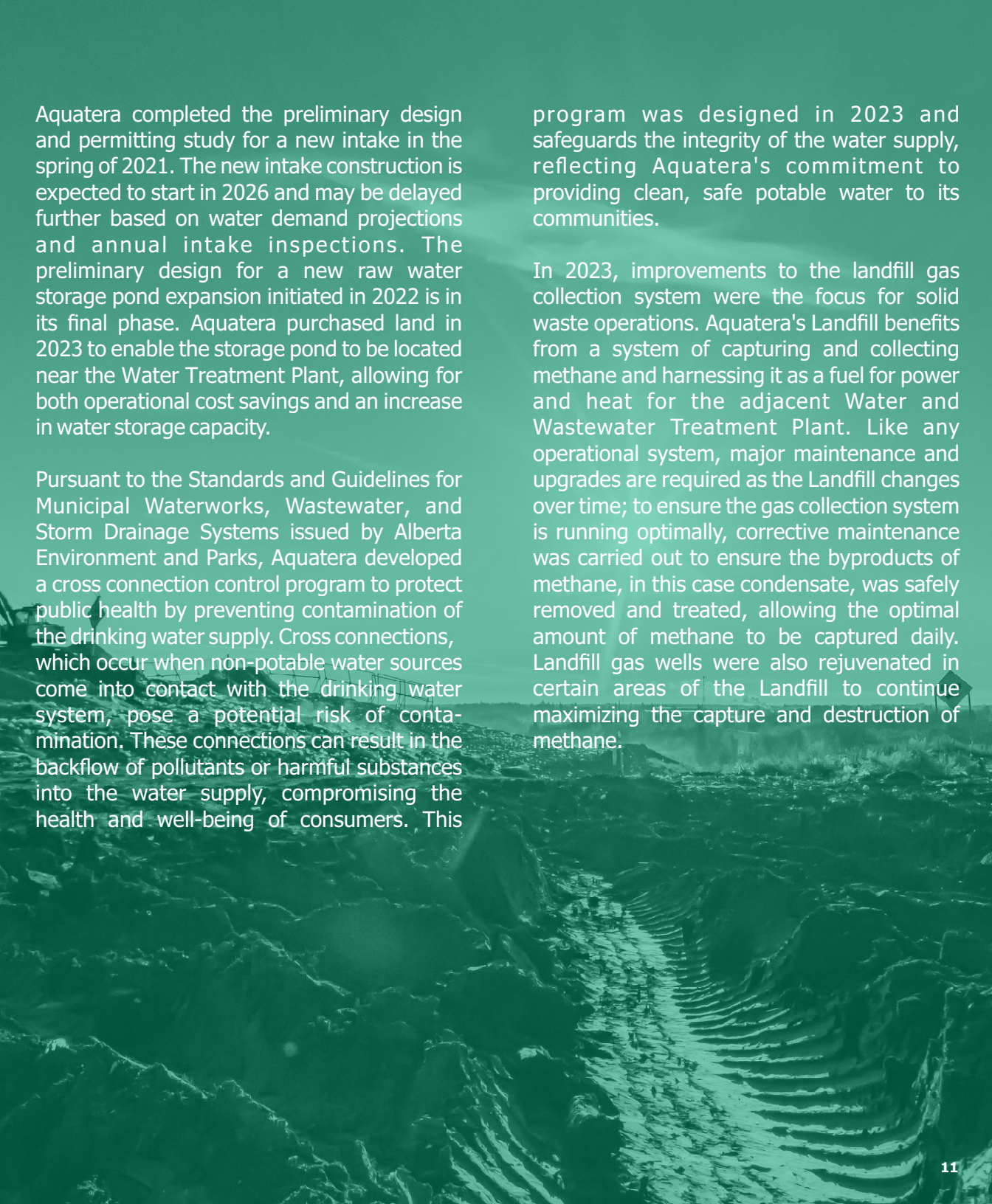
Throughout 2023, our work with the Mighty Peace Watershed Alliance (MPWA) and the Peace Airshed Zone Association (PAZA) continued. The MPWA is a watershed protection advisory council that works toward maintaining a healthy watershed while ensuring sustainability. The PAZA is a non-profit organization that conducts ambient air quality monitoring in northwestern Alberta. Aquatera also maintains its membership with

the Water North Coalition, a non-profit organization that seeks to ensure that sustainable water systems are available to all northern communities.

In January 2023, Aquatera received a renewed Waterworks Operating Approval, effective from January 2, 2023, and extending until 2033. Subsequently, in August 2023, Aquatera obtained a renewed Wastewater Works Operating Approval, also valid until 2033. These approvals demonstrate regulatory compliance and signify Aquatera's commitment to providing safe and efficient water and wastewater services to the community for the foreseeable future.

In September 2023, Aquatera installed a drinking water fountain near South Bear Creek Dog Park in Grande Prairie. This initiative not only fulfills the basic need for clean drinking water but also aligns with Aquatera's core purpose of Growing Healthy Communities.





Aquatera completed the preliminary design and permitting study for a new intake in the spring of 2021. The new intake construction is expected to start in 2026 and may be delayed further based on water demand projections and annual intake inspections. The preliminary design for a new raw water storage pond expansion initiated in 2022 is in its final phase. Aquatera purchased land in 2023 to enable the storage pond to be located near the Water Treatment Plant, allowing for both operational cost savings and an increase in water storage capacity.

Pursuant to the Standards and Guidelines for Municipal Waterworks, Wastewater, and Storm Drainage Systems issued by Alberta Environment and Parks, Aquatera developed a cross connection control program to protect public health by preventing contamination of the drinking water supply. Cross connections, which occur when non-potable water sources come into contact with the drinking water system, pose a potential risk of contamination. These connections can result in the backflow of pollutants or harmful substances into the water supply, compromising the health and well-being of consumers. This

program was designed in 2023 and safeguards the integrity of the water supply, reflecting Aquatera's commitment to providing clean, safe potable water to its communities.

In 2023, improvements to the landfill gas collection system were the focus for solid waste operations. Aquatera's Landfill benefits from a system of capturing and collecting methane and harnessing it as a fuel for power and heat for the adjacent Water and Wastewater Treatment Plant. Like any operational system, major maintenance and upgrades are required as the Landfill changes over time; to ensure the gas collection system is running optimally, corrective maintenance was carried out to ensure the byproducts of methane, in this case condensate, was safely removed and treated, allowing the optimal amount of methane to be captured daily. Landfill gas wells were also rejuvenated in certain areas of the Landfill to continue maximizing the capture and destruction of methane.

STAKEHOLDER ENGAGEMENT

COMMUNITY

Aquatera is committed to strengthening and empowering the communities we serve. We invest in programs and initiatives that demonstrate goodwill, positively impact our environment and support our Core Purpose of Growing Healthy Communities.

\$30K+

RAISED THROUGH THE
BOTTLE DONATION PROGRAM

\$224K+

CASH AND
GIFT-IN-KIND

In 2023, Aquatera contributed over \$224,000 to our service region through monetary and gift-in-kind sponsorships. It was also a successful year for our Bottle Donation Program. In 2023, we raised and donated over \$30,000 to local youth organizations and, since inception in 2004, raised more than \$1 million. The Bottle Donation Program is a partnership between Aquatera and Recycle Plus.

In 2023, the County of Grande Prairie declared a local state of emergency due to widespread wildfires in the region. As a result, many residents in the county were displaced and residing with family and friends within city limits, leading to an increase in garbage production. To support customers who were accruing additional garbage as a result of housing evacuees, Aquatera provided impacted residents with bag tags so they could dispose of additional garbage at no cost. To support evacuees directly, Aquatera provided a 50 per cent reduction on all tipping fees at the Landfill and allowed evacuees to dispose of fridges and freezers at the Landfill at no cost.



Aquatera supplied water bottles to volunteers and the Armed Forces during the wildfires.

COMMUNITY SPONSORSHIPS

- A Step Above Learning Society
- Alberta Care
- Alberta Municipalities
- Alberta Winter Games
- Alexander Forbes
- Alberta Water and Wastewater Association (AWWAO)
- Bandaged Paws
- Battle River Agricultural Society (Manning)
- Big Brothers Big Sisters
- Bonnett's Energy Centre
- Boys and Girls Club of Wetaskiwin Society
- Canadian Diabetes
- Canadian Motorcycle Tourism Association
- City of Grande Prairie
- City of Wetaskiwin
- Community Outreach Services
- Coordinated Care Campus
- County of Grande Prairie Regional Fire Service
- Crisis Team Society
- Crosslink County Sportsplex
- Dave Barr Arena
- Design Works Centre
- Discovery Camp
- Eastlink Centre
- Ecole St. Gerard Playground Fundraising Society
- Evergreen Park
- Faith Family Fellowship
- Festival of Trees
- Finishing Touch Grad Society
- Foundation for Life
- Friend of St. Patrick's School
- Friends of Millet Youth Society
- Goodwill
- Government of Alberta – Parks and Recreation
- GP Centre for Newcomers
- GP Curling Centre
- GP Friendship Centre
- GP Minor Baseball Association
- GP Petroleum Association
- GP Safe Communities
- GP Skating Club
- GP Social Club
- GP Sport Connection
- GP Traditional Pow Wow
- GPAC U15 AA1 Storm
- GPMHA U13 302 Knights
- GPMHA U13 A1 Knights
- Grande Gathering Gala
- Grande Peace Athletic Club
- Grande Prairie Boys Choir
- Grande Prairie Chamber of Commerce
- Grande Prairie Chapter of CPA's
- Grande Prairie Fire Department
- Grande Prairie Minor Hockey
- Grande Prairie Rib Fest
- Grande Prairie Rotary
- Grande Prairie Stompede
- Grande Prairie Youth Emergency Shelter
- Grande Prairie Youth Society o/a Sunrise House
- Grande Spirit Golf Tournament
- GrandeCon/Odyssey House
- Growing the North
- Hinton Discovery Camp
- Hinton Food Bank
- Hinton Run through the Rockies
- Hinton Search and Rescue
- Home Builders Association
- Inclusion GP
- Inter-Municipal Golf Tournament
- International Street Performers Festival Association
- Jasper Community Team Society
- Jasper Pride Festival Society
- Jasper Skate Park
- Jasper Skatepark Committee
- Manning Senior Comets Hockey Club
- Manning Ski Club
- MCMC Caucus
- MD of Greenview
- Millet Youth Society
- Mountain Plains
- Multisport Canada
- Nitehawk
- No Girl Left Behind
- Northwestern Polytechnic
- Northwestern Sports Excellence Awards
- PARDS
- Peace Country Female Athletic Club U13 AA Storm
- Peace Wapiti Band
- Peace Wapiti Skating Oval
- Peace Wapiti Speed Skating Club
- Phillip J. Currie Museum
- PRISM Wetaskiwin
- PWA Band Society
- Rebels Hockey Development
- Recycling Council of Alberta
- Rural Municipalities of Alberta
- Salvation Army Thrift Store
- Sexsmith & District Museum
- Sexsmith Agricultural Society
- Sexsmith Community Foundation Golf Tournament
- Sexsmith Fire Department
- Sexsmith Tumbling Club
- South Peace Horse Club
- Spirit Seekers Conference
- STARS
- Storm Hockey
- Street Performers
- Swan City Basketball
- Team Doepker Curling Team
- Team Myker Curling Team
- Team Young Curling Team
- Teen Adventure Seekers
- The Peace Region Community School Food Animator
- Town of Sexsmith
- United Way
- Wapiti House
- Wapiti Off Road Association
- Water Management in Alberta's Boreal
- Water North Coalition
- Wembley Agricultural Society
- Western Canada Water
- Wetaskiwin Community Learning Program
- Wetaskiwin Composite High School
- Wetaskiwin Health Foundation
- Wetaskiwin Senior Citizens Society



CUSTOMER ENGAGEMENT

Aquatera continued to engage customers throughout 2023, inviting residential and commercial customers to participate in our monthly Win OR Give Customer Satisfaction Survey. This campaign allowed us to engage with customers on a consistent basis while providing an opportunity to contribute feedback regarding changes they would like to see. This input guided the development of targeted marketing campaigns, addressing specific topics important to customers. The results of the 2023 Win OR Give campaign yielded positive feedback on Aquatera's customer service.

In November 2023, a residential and commercial customer satisfaction survey was conducted by a third-party contractor to gauge how Aquatera's service is perceived. Three hundred and sixty-two (362)

residential respondents were recruited randomly by telephone (343) and social media (19), and 121 commercial respondents were recruited by telephone. Aquatera achieved an Net Promoter Score (NPS) of 13 among the combined population, indicating that the majority of customers are satisfied with the services provided. A NPS greater than 0 is considered good with a score of 50 considered world class.

As an essential service provider, Aquatera is committed to continuously improving the access and delivery of utility services across the communities we serve. To better serve our customers, Aquatera launched our new utility billing software in 2023. The new billing system was designed to improve our customers' experience, offering a more user-friendly interface, enhanced security, and additional features to better serve customer needs.

SHAREHOLDER ENGAGEMENT AND CORPORATE GOVERNANCE

Shareholder engagement is important to our success and 2023 saw meaningful and intentional communication between Aquatera and our Shareholders.

At the Annual General Meeting, Director and current Board Chair Lionel Laflamme was reappointed for a term of three years; Mary Bulmer was reappointed as a Director for a one year term. We also welcomed three new Directors, Tracy Allard, Derek Van Tassell and Naseem Bashir, and said goodbye to Directors Dave Urness and Jim Smith who retired from the Board.

Our Board of Directors and Executive team are committed to the highest standards of corporate governance and believe that sound corporate governance contributes to stakeholder value, trust and confidence. In 2023, Aquatera's Board of Directors approved

the company's inaugural Environmental, Social, and Governance (ESG) Report and Scorecard, which serves as a tool for tracking progress and demonstrating Aquatera's ongoing commitment to environmental stewardship, social responsibility, and effective governance.

Quarterly meetings with Shareholder leaders occurred throughout the year reviewing a number of key metrics including quarterly financial results. Shareholders were also invited to provide input on Aquatera's 2024 Business Plan.



CULTURE, LEADERSHIP, & TALENT

EMPLOYEE ENGAGEMENT

Employee engagement isn't just a metric; it's a reflection of our commitment to fostering a culture where every voice is valued, every idea is heard, and every individual feels empowered to contribute to our collective success. In 2023 we saw the passion, dedication, and innovation of our team members, whose unwavering commitment continues to drive our organization forward.

To measure employee satisfaction, Aquatera obtained confidential feedback through our Employee Engagement Surveys which were conducted in April and September. Through qualitative and quantitative data, the survey measures employee engagement and satisfaction, allowing us to identify positive qualities of Aquatera's culture, as well as areas for improvement. Results of this survey indicate that Aquatera employees are highly engaged and 89 per cent of employees would recommend Aquatera as an employer.

To increase engagement, Aquatera established annual focus groups providing a collaborative environment for employees to discuss the results and identify action items to support continued improvement. This initiative not only supports Aquatera's leadership to better understand employees but allows employees to take ownership of Aquatera's culture.



DIVERSITY AND INCLUSION

Over the past number of years, it has become increasingly clear that diversity and inclusion provide multiple benefits to organizations and their employees. Aquatera launched its second biennial Diversity and Inclusion survey in September 2023. One hundred and twenty-six (126) employees responded to the survey, approximately 65 per cent. Results indicate that Aquatera has a good foundation in both diversity and inclusion and is well aligned with the Grande Prairie region. To further lead our efforts, we developed a Diversity and Inclusion Policy and led diversity and inclusion training for all employees.

EMPLOYEE RETENTION, DEVELOPMENT, AND COMPENSATION



We are committed to attracting, retaining, and developing employees whose values reflect those of Aquatera's, while also harnessing the required skills and qualifications. To attract quality employees, we focus on creating an environment where people feel valued, offering development opportunities to encourage growth, and providing fair and equitable compensation.

In 2023, Aquatera continued to invest in the essential and specialized development of our employees by holding our first annual Water|Earth|Innovation Conference (WEIC). Similar to the Water Week North Conference Aquatera has been hosting since 2004, WEIC continued to provide learning and training opportunities to water and wastewater owners and operators in northern Alberta, while expanding our course offerings to include solid waste, engineering, safety, and personal development.

Aquatera continues to participate in co-op student programs through various educational institutions. One student was stationed in Aquatera's City of Wetaskiwin location, while the two others were placed in the Grande Prairie operational area, with one assigned to Distribution and Collection and the other assigned to the Water and Wastewater Treatment Plant. The students worked on several projects providing support

to operations. As a result of the successful work terms, Aquatera looks forward to continuing the program into the foreseeable future and collaborating with Northwestern Polytechnic on their Water and Wastewater Certification Program in 2024.

Aquatera's workforce is comprised of both union and non-union employees. Union employees negotiate the terms of employment through a collective bargaining process that is conducted on a multi-year basis. Negotiations for a new contract began in 2023, resulting in a ratified agreement in early 2024. Non-union employees are evaluated through market comparisons and regular performance reviews on an annual basis, with compensation changes being approved by the Board. Director compensation is reviewed every three years by a third-party and approved by the shareholders, with the next review scheduled for 2025.

FINANCIAL OVERVIEW

FINANCIAL AND BUSINESS PLAN OBJECTIVES

AQUATERA UTILITIES INC. SHAREHOLDERS



Aquatera continues to maintain a strong financial foundation that promotes long-term sustainability. Our investments and borrowings are structured to ensure appropriate cash flows are available for capital investments and growth.

Operational efficiency and customer service remain key areas of focus. In 2023, economic activity gradually increased as the impacts of the pandemic continued to dissipate. Water consumption trended upward from previous years.

Aquatera was able to deliver on aggressive profitability and cost saving targets in 2023 while sustainably growing the business and providing excellent customer service. Aquatera delivered \$26.9 million in cash flow from operations in 2023, an excellent achievement highlighting its strength and resiliency in challenging economic times.

Under the Unanimous Shareholders Agreement (USA), annual dividends are paid at the mandatory rate of five per cent. In addition to the mandatory dividend of \$2.5 million, the Board declared a discretionary dividend of \$3 million. Dividends to Shareholders in 2023 totalled \$5.5 million, a 4 per cent increase over 2022.

Debt levels remain very conservative and well within stakeholder expectations.

To date, Aquatera has provided \$286.2 million in benefits to shareholders directly in the form of cash dividends, franchise fees and payment for service, and indirectly with stock dividends.



VALUE FOR SERVICE

FAIR RATES TO INCREASE CUSTOMER VALUE

We establish fair and affordable rates, while ensuring that our operational requirements are protected, and our investments allow us to continue providing trusted quality, valued service, and peace of mind to our customers.

Our goal is to increase customer value by providing utility rates that are comparable to similar Alberta cities and 2023 saw us meeting that goal.

In 2023, Aquatera's Board of Directors approved a temporary change to the company's Infrastructure Charge Policy that would permit the waiving of infrastructure charges for new multifamily developments applying to connect to Aquatera's infrastructure. The intention is to incentivize the construction of additional new multifamily residences to help relieve pressure on the current housing market. This new program will be introduced in 2024.



PLANNING FOR GROWTH

CAPITAL PROJECTS

As the Grande Prairie region continues to grow, Aquatera anticipates the needs of our communities and prioritizes investments that support future growth and capacity. The capital plan for 2023 identified approximately \$34 million in projects including investments to address business requirements. Through targeted capital investments, and collaboration with our shareholders and development community, we are working to improve and develop infrastructure to facilitate this growth.

In 2021, Aquatera began developing Infrastructure Health Dashboards and Criticality Modeling for our linear water and wastewater assets. These tools highlight assets that are nearing end-of-life, allowing Aquatera to identify and prioritize critical infrastructure activities and make informed decisions regarding rehabilitation or replacement. These tools were further expanded in 2023 to include more robust information incorporating consequence of failure, probability of failure and overall risk rating.



In a strategic move towards reducing power costs, and minimizing our environmental footprint, we invested in state-of-the-art solar panel technology to generate clean and renewable energy at the Zone III Reservoir and Pump Station. The solar panels, which became active in December 2023, are expected to produce approximately 80 per cent of the power required at the Zone III Reservoir and Pump Station, greatly reducing our reliance on traditional power sources, and safeguarding against the cost challenges that can occur in a volatile energy market.

To safeguard Aquatera's water supply and ensure uninterrupted operations and liability, we replaced a segment of the raw water pipeline along 100 Street between the Aquatera Landfill and Water Treatment Plant. This project was substantially complete in 2023, with final construction expected to be completed in 2024.

In 2020, Aquatera completed an update to the Landfill Master Plan, which highlighted the necessity for a stormwater management facility to serve the transfer station and metals areas, as well as to guide future landfill expansions. Subsequently, Phase I of the stormwater management facility was constructed in the fall of 2023. Looking ahead, Phase II is scheduled for construction in the summer/fall of 2024.

In 2023, Aquatera's water towers underwent refurbishment to protect and maintain their structural integrity. Utilizing an advanced fluoropolymer topcoat called HydroFlon, the exterior finish ensures long-term protection against damaging elements, extending the water towers' lifespan by up to 25 years.

To support growth in the County, Aquatera has been working with the County of Grande Prairie on development to support the construction and operation of water and wastewater services to Harry BAIfour School, north of the Five Mile Hall area. Construction began in 2022 and final commissioning occurred in 2023.



GROWING THE BUSINESS

Throughout 2023, Aquatera continued to focus efforts on growing our business through service expansion and enhancement. To support our strategic vision, our Business Development team works with internal and external stakeholders, with the goal of establishing community and government relationships, and encouraging partnerships where it is beneficial to all stakeholders.

In 2023, Aquatera was approached to supply treated wastewater effluent as an alternative water source for fracturing fluid. The use of treated wastewater effluent promotes efficient water reuse, opposed to using fresh water from alternative water sources like the Wapiti River. Aquatera is always seeking new opportunities to foster growth in the communities it serves and, as a result, supplied treated wastewater effluent from its

Grande Prairie final wastewater effluent lagoon; the effluent was safely transferred to site and utilized resulting in a reduced environmental footprint overall.

Aquatera continues to provide contracted services to the Town of Hinton, Town of Manning, Municipality of Jasper and Silver Pointe Village. In 2023, Aquatera was contracted by the Municipal District of Greenview, Teck Coal Limited and West Fraser Hinton Pulp to provide support for their water and wastewater facilities. In 2023 Aquatera's Wetaskiwin operations team continued to provide services and support the City of Wetaskiwin's Peace Hills Utilities.

CONCLUSION

In 2023, we celebrated a significant milestone as Aquatera marked its 20th year of operation. We are proud to serve the communities where we were established, and we take great satisfaction in the positive impacts we've made across both the Grande Prairie region and our other customers across Alberta. Over the years, we've cultivated a supportive and collaborative culture.

Looking ahead, we remain steadfast in our commitment to optimizing our core services, operating with transparency, and fostering an environment of openness. As we embark on the journey ahead, we are confident that our dedication to grow and progress will enable us to continue to grow healthy communities, making a meaningful difference in the lives of those we serve.



20 YEARS IN SERVICE

2023 marked an incredible milestone for us at Aquatera Utilities Inc. as we celebrated 20 years in business. This is a testament to the hard work and dedication not only of our employees, but of our Shareholders and community.

With a Core Purpose of Growing Healthy Communities, we operate to serve and grow our communities while being socially and environmentally accountable, and create new opportunities that are in the best interest of our customers and environment. We are continuously looking at opportunities for innovation and growth.

We celebrated this milestone with 20 Days of Giving. Aquatera provided give-a-ways and acts of service for the four Shareholder communities; City of Grande Prairie, County of Grande Prairie, Town of Sexsmith, and Town of Wembley to show our appreciation for 20 great years to the communities we serve!





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