

January 24, 2025

AR117092

Sent via email: cao@county24.com

Alan Parkin
 Chief Administration Officer
 County of Vermilion River
 PO Box 69
 Kitscoty, AB T0B 2P0

Dear Alan:

Thank you for meeting with me and my team regarding Designated Industrial Property Assessment in the County of Vermilion River. As discussed, I wanted to provide more information on the properties your team flagged for us as potentially requiring changes to the assessment roll.

The Assessment Services Branch reviewed all properties submitted by the County. As we do with all information sent to us, including from industry, we confirm the information by comparing to other data sources, such as physical property inspection information and data from the Alberta Energy Regulator. Where we can confirm the information provided, the assessment is updated. If we are not able to confirm, the property is flagged for inspection for the upcoming inspection season. If any property requires changes based on an inspection, and we can confirm the physical change was made prior to the legislated condition date of October 31, 2024, then an amended notice will be issued for that property.

Information was provided to us in two categories, Miscellaneous Account Changes and Missed Properties, for 727 properties. Based on our review of the data, the following is a break down of findings:

Miscellaneous Account Changes		
2025 FOLLOW-UP	Count	% of Total
Flagged for Inspection in 2025	124	18.21%
Investigation Needed - Could Already be Included in Linear Rates	73	10.72%
SUBTOTAL	197	28.93%

2024 AY CHANGES MADE BASED on County data	Count	% of Total
Changes Made based on Vermilion River and Provincial Assessor Data	157	23.05%
SUBTOTAL	157	23.05%
2024AY Existing Changes		
Count	% of Total	
Changes Already Made Prior to Vermilion River Notification	104	15.27%
SUBTOTAL	104	15.27%
NO CHANGE WARRANTED		
Count	% of Total	
No Change Warranted	52	7.64%
No Change Warranted - Included in Rates	60	8.81%
No Change Warranted - Linear Only	6	0.88%
No Change Warranted - Site Disconnected/Suspended/Abandoned	68	9.99%
Natural Gas to Site	37	5.43%
SUBTOTAL	223	32.75%
GRAND TOTAL	681	100.00%

Missed Accounts		
2025 FOLLOW-UP		
Count	% of Total	
Flagged for Inspection in 2025	8	17.39%
SUBTOTAL	8	17.39%
2024 AY CHANGES MADE BASED on County data		
Count	% of Total	
Changes Made based on Vermilion River and Provincial Assessor Data	3	6.52%
SUBTOTAL	3	6.52%
2024AY Existing Changes		
Count	% of Total	
Changes Already Made Prior to Vermilion River Notification	30	65.22%
SUBTOTAL	30	65.22%
NO CHANGE WARRANTED		
Count	% of Total	
No Change Warranted	1	2.17%
No Change Warranted - Site Disconnected/Suspended/Abandoned	4	8.70%
SUBTOTAL	5	10.87%
GRAND TOTAL	46	100.00%

As discussed, the Assessment Services Branch does not assess natural gas servicing to site. This is a best practice applied across Alberta and is because:

- Natural gas service lines to industrial sites are often owned by rural distribution companies and are not assessable.
- There is no consistent way to determine usage and volumes to confirm assessable amounts.
- There is minimal value to these pipelines from an assessment perspective.

With the 2024 Assessment Year, the wells and pipelines that have been constructed in your county over the past three years will come on to the roll. We anticipate a significant increase in linear assessment because of the end of the tax holiday. We also anticipate a significant increase in the County's non-linear designated industrial assessment as a result of new properties, the application of assessment year modifiers, and some of the changes identified through this process.

Assessment notices and the roll will be issued for linear property on January 31 and for the remainder of industrial property on February 28, 2025. You will see the changes we discussed reflected then. If interested, we are happy to present to your Council on the 2024 totals once the roll has been issued.

As discussed, my team will set up a meeting early in the spring to discuss the inspection season and will continue to meet regularly with your assessor. I am confident that we can continue to work together to ensure that relevant information is being exchanged on a timely basis and the County's assessment roll is as complete and accurate as possible.

Sincerely,

A handwritten signature in black ink, appearing to be the initials 'EB' with a stylized flourish.

Ethan Bayne
Assistant Deputy Minister