



# 2024 DIRECTOR ELECTION HANDBOOK



**COCHRANE LAKE  
GAS CO-OP LTD.**

DECEMBER 1, 2023

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## 1. INTRODUCTION

**Cochrane Lake Gas Co-Op Ltd. (CLGC)** is a locally operated cooperative and is dedicated to providing safe and reliable natural gas to our members.

All members in good standing may participate in the democratic process, which is unique to cooperatives. Members may nominate candidates to the Board of Directors, vote in the Annual Election of Directors or choose to stand as a candidate in the Annual Election of Directors held at the Annual General Meeting (AGM) in the spring of each year.

This document provides important information about the Director election process. The roles and responsibilities of a Director at CLGC are also outlined. It includes important dates, Director nomination forms, and additional background for potential candidates. Newly elected Directors will also find the information in this handbook useful to fulfil the Director role. Potential candidates may contact any member of the Board of Directors, the Chair of the Election Committee or call the office and discuss the position with General Manager, at 403-932-2707.

Since incorporation in 1972, CLGC has grown from a small provider of natural gas services to a few rural residences in the franchise area north of Cochrane, to the provider of those same services to more than 2,800 members. Sustainability is one of the priorities for the Board of Directors and staff as growth continues within CLGC's Franchise Area.

**Vision:**            *Providing Safe, Reliable Natural Gas to Our Members*

**Mission:**        *We are a member owned co-operative that strives:*

1. To achieve safety standards,
2. For technical & operational excellence,
3. To ensure the system infrastructure meets customer demands,
4. To continually improve customer service excellence,
5. To expand natural gas services to new and existing customers.

## 2. DEMOCRATIC STRUCTURE

Natural gas cooperatives are autonomous associations of members, united voluntarily to meet common economic and personal needs for natural gas services through a jointly owned and democratically controlled enterprise. Members in good standing are entitled to participate in the organization and vote in Director elections and in meetings of members. A Board of Directors, elected by and from the collective membership, governs the organization.

### 3. COOPERATIVE PRINCIPLES

CLGC adheres to the basic cooperative principles which are defined as:

1. **Voluntary and Open Membership** – Cooperatives are voluntary organizations; open to all persons able to use their services,
2. **Democratic Member Controlled** – Cooperatives are democratic organizations controlled by their members through elected representatives,
3. **Member Economic Participation** – Members contribute equitably to, and democratically control, the capital of their cooperative,
4. **Autonomous and Independent** – Co-operatives are autonomous, self-help organizations controlled by their members. When the cooperative enters into agreements with other organizations, including governments, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy,
5. **Education, Training & Information** - Cooperatives provide education and training for their members, elected representatives, and employees, and inform the public about the nature and benefits of cooperatives,
6. **Cooperation among Cooperatives** – Cooperatives strive to strengthen the cooperative movement by working together through local, regional, national, and international structures,
7. **Concern for Community** – Cooperatives work for the sustainable development of their communities.

### 4. GOVERNANCE

Local rural gas utilities are organized as member owned associations. These community-based associations are made up of local people who direct, manage, and service the rural gas system. In a rural gas co-op, the gas system is the sole governance concern of the Board of Directors and the primary reason for its existence.

### 5. CODE OF ETHICS

CLGC has adopted a code of conduct and ethics that applies to all Directors. Each duly elected Director must agree to and sign the following Director Code of Ethics:

#### DIRECTOR CODE OF ETHICS

1. **As a Director of Cochrane Lake Gas Co-op Ltd. (CLGC), I recognize:**
  - (a) my fellow members have entrusted me with the oversight of CLGC, and,
  - (b) I provide a direct link in the transfer of ideas, information, and suggested alternatives from the members to the Board of Directors.

**2. In view of the foregoing considerations, it shall be my constant endeavor:**

(a) to devote time, thought and study to the duties and responsibilities of CLGC so that I may render effective and credible service,

(b) to work with my fellow directors in a spirit of harmony and cooperation in spite of differences of opinion that may arise during vigorous debate on points of issue and keep differences confidential outside the meeting room,

(c) to base my personal decision upon all available facts in each situation, to vote my honest conviction in every case, not waived by partisan bias of any kind and thereafter, to abide by and uphold the final decision of the Board of Directors,

(d) to not use my position to further the interest of any organization which is opposed to the interests and principles of CLGC, nor engage in any activities, which would be prejudicial to CLGC,

(e) to resist every temptation and outside pressure to use my position as a director to benefit either myself or any other individual or agency apart from the total interest of CLGC,

(f) to bear in mind under all circumstances that the primary function of the Board of Directors is to establish policies for the administration of CLGC, but the implementation of such policies shall be under the sole responsibility of the General Manager,

(g) to bear in mind that if I have a grievance with a fellow member of the board or staff, I shall make my grievance known to the chair (or vice chair, if the chair is involved) who shall endeavor to mediate the grievance,

(h) to understand that CLGC requires that any director unable to attend a meeting shall make the Chair aware of the reasons for their absence,

(i) to be aware that whereupon a Director is absent from three (3) consecutive meetings without a valid reason, such individual shall be asked by the Board of Directors to step down from office, and that the Director must agree to comply, and,

(j) to be aware that all minutes and information obtained by the Director during tenure be returned to CLGC upon completion of term.

**3. With regard to the Conduct and Ethics, I agree to maintain the highest ethical standard and conduct, as outlined in policy.**

**4. With regard to Confidentiality, I agree:**

(a) classified documents are to be kept within the confines of the office and are not to be removed unless authorized by the Board of Directors,

(b) the procedure of acting upon set policy and discussion on motions within board meetings shall remain confidential outside said meetings, and,

(c) to ensure all discussions held within in a Board meeting shall remain confidential outside said meetings.

Directors found to be in violation of the Code of Ethics, will be asked to offer their resignation and may be subject to removal and/or legal action.

## **6. ELECTION OF DIRECTORS**

There are nine (9) Director positions, which comprise the Board of Directors, including an executive committee consisting of a Chair, Vice-Chair, Treasurer and Secretary. Directors provide policy and direction to the business affairs of CLGC, pursuant to the bylaws as established within the *Alberta Rural Utilities Act and Regulations* and in accordance with the Supplemental Bylaws of CLGC. Members of CLGC are the proprietors and the originators of all authority of the co-op. Members are the end-user consumers of the co-op's services.

Each member has the opportunity to annually elect three (3) individuals to the Board of Directors, each for a three (3) year term or as required to fill additional Director vacancies. The term of office for each of the nine (9) Directors expires on a staggered basis; that is, the term of office for three (3) Directors expires in the current year, three (3) Directors the next year, and three (3) Directors the following year, effective as of the respective AGM . This format allows a transition period to enable newly elected Directors to smoothly assimilate their roles and responsibilities.

Members elect Directors through a formal, democratic voting process. For Director elections at the AGM, the following procedures will be followed:

1. Directors' Election Handbook will be available on-line at [www.clgas.ca](http://www.clgas.ca) or from the office at 209 Railway Street East, Cochrane, Alberta.
2. Nominations for the upcoming election of Directors to the Board must be filed at CLGC office between January 2, 2024 and February 01, 2024.
3. The AGM will be held on March 5, 2024 with the first Board meeting scheduled for March 21, 2024.
4. CLGC will advertise the "Call for Nominations" to the membership stating the opening and closing dates and the number of Directors required to be elected. This notice will be circulated through local newspapers, electronic and direct mailings and will be posted on the CLGC website. Other means of circulation may be considered.
5. New applicants may be subjected to an interview and reference check.
6. Candidate profiles and resumes as submitted will be available to members both prior to and at the AGM.

7. Each accepted candidate will be requested to deliver a short presentation and be prepared to answer questions from the members in attendance.
8. Voting, if required, will be undertaken by secret ballot.
9. Immediately after the counting of ballots, the results will be announced.

## **7. VOTING**

Individuals wanting to vote must hold a membership in their name as of the date of the AGM . Each member is entitled to one vote regardless of the number of utility service contracts held. No member may vote by proxy. The above rules and procedures are made pursuant to the *Alberta Rural Utilities Act, Subsections 12 & 13*.

## **8. DIRECTOR QUALIFICATIONS**

CLGC requires Directors who are:

1. Individuals of good character,
2. Familiar with and knowledgeable about the cooperative business model,
3. Able and willing to represent the interests of the members and CLGC above all other interests,
4. Have a demonstrated capability in interpersonal relationships and teamwork,
5. Aware of the legal liabilities implicit with Board membership,
6. Able to add to the diversity of knowledge and skills of the Board in areas such as:
  - a. safety practices and procedures
  - b. Board governance
  - c. strategic leadership
  - d. performance measurement
  - e. risk management
  - f. fiscal responsibility
  - g. human resources
  - h. project management
  - i. business administration
  - j. utility management
  - k. engineering
  - l. construction
  - m. operations
  - n. financial responsibility
  - o. business investment
  - p. information technology
  - q. business law

## **9. DIRECTOR RESPONSIBILITIES**

Within the framework of the governance model and business structure, Directors collectively speak and act on behalf of the members. The Board of Directors has responsibility for the following matters:

1. Selecting, appointing, monitoring, and evaluating the general manager,
2. Stewardship of the planning process by active participation in the strategic plan,
3. Reviewing and approving the business plan as well as the capital and operating budgets,
4. Monitoring and measuring organizational performance,
5. Ensuring that principle risks to the business are identified and effective systems are in place to manage risks,
6. Ensuring succession planning is in place for the Board of Directors and the general manager,
7. Developing and reviewing policy,
8. Reviewing the adequacy and integrity of internal controls of the accounting and information systems, and
9. Establishing policies, processes and procedures for the structure, operations, and the evaluation of the Board itself.

Directors typically devote from 100 to 200 hours per year.

## **10. DIRECTOR DUTIES**

Directors are expected to:

1. Attend all monthly scheduled Board meetings, special meetings, planning sessions, the AGM, and various other activities,
2. Serve on at least one committee,
3. Attend Board training and development sessions, and
4. Represent CLGC at other cooperative related meetings.

Board meetings are typically held once monthly in the evenings. All other meetings are scheduled based on requirements and availability.

## **11. DIRECTOR ELIGIBILITY**

A member seeking nomination for the position of Director should ensure their address and other information on file with the co-op is current and ensure they are the designated 'Voting Member' on their contract.

Members must also meet the following eligibility requirements:

1. Must be at least 18 years of age,
2. Must be a member in good standing,



3. Must reside in the franchise area,
4. Must **NOT** be an individual who:
  - a. Is a dependent adult as defined in the *Dependent Adults Act* or is the subject of a certificate of incapacity under that Act,
  - b. Is a formal patient as defined in the *Mental Health Act*,
  - c. Has been declared incapable under the laws of a Canadian province or territory, or by a court in a jurisdiction outside of Canada,
  - d. Has been found to be a person of unsound mind by a court elsewhere than in Alberta,
  - e. Has a status of being bankrupt,
  - f. Has been found guilty of a quasi-criminal offence under an *Act of Canada* or of an offence under the *Criminal Code of Canada* or similar legislation in other jurisdictions, for which a pardon has not been granted,
  - g. Has any business relationship or interest (other than those interests related to membership or employment in CLGC) that could materially interfere with the ability to act objectively with a view to the best interests of CLGC,
  - h. Is not an employee of CLGC,
  - i. Has had a judgment ordered against him or her in a civilian claim based on fraud, theft, deceit, misrepresentation, civil conspiracy, breach of trust, breach of fiduciary duty, insider trading, failure to disclose material facts or changes or similar conduct,
  - j. Is involved in litigation against CLGC,
  - k. Has not been prohibited or otherwise removed as a Director of an organization, or,
  - l. Is a member of a professional body and has been involuntarily prohibited or restricted from practicing as a member of that body during the previous five (5) years.
5. As a nominee, I agree to allow CLGC publish any or all submitted nominee information for the purposes of communicating to members about my candidacy for the position of Director.

To ensure eligibility under CLGC's *Supplemental Bylaw #6 – Election of Directors*, every candidate must complete and submit with their nomination papers, the following additional documents:

1. The Board Candidate Nominee Declaration Form (see attached form),
2. A current – original copy of comprehensive criminal record report dated not earlier than September 1, 2023 from the RCMP or from <http://www.backcheck.net> that will clearly establish that the candidate does not have a criminal record,
3. A current Bankruptcy and Insolvency Report from the Office of the Superintendent of Bankruptcy Canada.  
\*This report can be obtained from the Industry Canada website at [www.ic.gc.ca](http://www.ic.gc.ca) under Bankruptcy and Insolvency Name Search through the Office of the Superintendent of Bankruptcy, Canada or maybe obtained by calling **1-866-941-2863**; which will provide

evidence that the candidate is not currently bankrupt or under the direction of a bankruptcy trustees.

Criminal Record and Insolvency Reports may take several weeks to obtain, depending on the method used to obtain the required reports, but this is a responsibility of the candidate-nominee. Each candidate-nominee must ensure that all of the required reports and papers are submitted by the nomination submission deadline noted in Section 14. All information must be an original report and be provided in the original form, (i.e., clear, legible, and unaltered), or the report(s) will be deemed unacceptable and will result in disqualification of the potential candidate-nominee. The Election Committee is the sole adjudicator concerning the eligibility of nominees with no appeals being permitted. Nomination submissions will be treated as a confidential document and will be retained in the offices of CLGC . Any direct costs incurred by the nominee for obtaining either a criminal record check or a bankruptcy and insolvency report, will be reimbursed to the candidate by CLGC upon the submission of receipts.

**Nomination forms sent in by nominees without all necessary documents or after the cut-off date will not be considered and will result in the disqualification of the potential candidate-nominee for Director.**

## **12. NOMINATION PACKAGE**

If all nomination requirements are met:

1. Complete the Director Nomination Form (Form A)
2. Complete the Director-Nominee Declaration Form (Form B)
3. Complete the Director-Nominee Information Form (Form C), including:
  - a. Criminal record report and an insolvency report both dated later than September 1, of the year preceding the election year

## **13. DIRECTOR COMPENSATION**

Currently Directors receive the following fees paid monthly:

Director	\$3,600.00 per annum
Chair	\$6,000.00 per annum
Vice-Chair	\$6,000.00 per annum
Treasurer	\$6,000.00 per annum
Secretary	\$6,000.00 per annum

The Board has the following committees:

1. Health, Safety & Environment
2. Human Resources
3. Finance and Audit
4. Election
5. Ad-hoc
6. Executive

Directors are compensated for approved additional committee work, training and development, additional Board work and travel time for additional works, on an hourly basis. Compensation for committee work and for attending designated Board training is at the rate of \$35.00/hr. Travel expenses to complete additional Board work will be reimbursed as mileage at the current prescribed CRA Rate.

#### **14. SUBMISSION DEADLINE**

Candidate-nominees are required to send or deliver the completed nomination package no later than **4:30 p.m. MST on February 1, 2024** to:

Attention:  
Election Committee - Cochrane Lake Gas Co-op Ltd.  
209 Railway Street East  
Cochrane, Alberta T4C 2C3  
or by fax: 403-932-2911

#### **15. NOTIFICATION OF CANDIDATE NOMINEES**

After the close of nominations, the Election Committee will review each nomination package to confirm candidate eligibility and to ensure that the required information has been provided. Each nominee will be advised of their eligibility status following this review process in early February. Candidates determined not to be eligible, will be notified. At the conclusion of the Director's Election at the AGM, the submitted information package of the elected Director will be kept on file. All submissions of candidates not elected and those deemed not eligible, will be destroyed immediately after the AGM.

#### **16. PRIVACY OF INFORMATION WAIVER**

Each nominee, by submitting personal and member information required in the Director nomination package and in signing the attached forms, authorizes CLGC to publish any or all of their nominee information including profile, photograph and nomination speech for the purposes of communicating about the candidate for the Director election process. *(Information contained on the insolvency report and criminal record check report will remain confidential and is excluded from this waiver).*

Further, in compliance with privacy legislation, a candidate elected to the Board of Directors by submitting all of the required documents, agrees to allow CLGC to retain the nomination forms, declaration, criminal record check and insolvency report in their Director's file during their term of office.

***Disclaimer: The information contained in this information circular is public information. While CLGC strives for accuracy, it is possible that some of the information may contain errors or omissions and we disclaim any liability for any such errors or omissions.***