

**ALBERTA – BRITISH COLUMBIA
MEMORANDUM OF UNDERSTANDING (MOU)**

COLLABORATION ON CAPITAL PROGRAM DEVELOPMENT

THIS MEMORANDUM OF UNDERSTANDING executed this 18th day of May, 2007.

AMONG:

GOVERNMENT OF BRITISH COLUMBIA, as represented by the
PREMIER OF BRITISH COLUMBIA

AND

GOVERNMENT OF ALBERTA, as represented by the
PREMIER OF ALBERTA

The Governments of British Columbia and Alberta (the Parties) share a common goal to deliver capital projects in the most effective way to meet the program service needs of their citizens. The Governments of each Province seek to collaborate to further their understanding and use of public private partnership approaches to project delivery, to improve the provision of infrastructure, and to jointly establish themselves as leaders in the delivery of capital projects.

British Columbia and Alberta have set up organizations that contribute, through advice and expertise, to the delivery of public infrastructure: Partnerships British Columbia (PBC), an entity of the British Columbia Ministry of Finance, and the Alberta Ministry of Treasury Board (together, the Organizations). PBC and the Ministry of Treasury Board recognize that a common overall approach by their respective governments would strengthen the Canadian market in the above areas to:

- a. harmonize and coordinate public private partnership finance and procurement processes;
- b. increase the number of private sector proponents and provide greater competition;
- c. secure more favorable conditions for the selection and retention of advisors and consultants; and
- d. explore opportunities for joint investment.

Both Parties wish to exchange their experiences and best practices to improve their knowledge of the public private partnership finance and procurement market, accelerate their respective organizations' development and capacity, and further develop governmental processes for delivering capital projects through public private partnership financing.

I. PURPOSE:

The purpose of this MOU is to promote a collaborative strategic approach to developing public private partnership finance and procurement processes, which will benefit both provinces and serve as a model for bilateral and multi-lateral collaboration between the provinces.

In so doing, the Parties will, subject to their respective contractual and legislative privacy protection obligations:

- a. share information between the Organizations on best practices and methodologies, and investigate opportunities for joint initiatives;
- b. share infrastructure and construction market intelligence between the Organizations;
- c. share non-confidential project information, evaluation and analysis between the Organizations;
- d. participate in and jointly fund initiatives, projects or programs of mutual interest to both provinces;
- e. leverage resources and involve other governments and industry stakeholders; and
- f. undertake any other activities that are intended to reduce overlap and duplication and ensure a complementary approach to the development of alternative finance and public private partnership procurement.

II. OBJECTIVES:

The objective of this MOU is to build a framework for collaboration between British Columbia and Alberta, including between Partnerships BC and Alberta's Ministry of Treasury Board, in accordance with the goals of the British Columbia and Alberta Governments. Areas of mutual concern that support the goals of British Columbia and Alberta include knowledge transfer of best practices and relevant materials to enhance the policies and processes of each party, collaboration on concept development and project assessment, further developing a competitive market for public private

partnership financing approaches, and providing the best services to our citizens through the efficient and effective delivery of capital projects.

III. DIRECTIONS:

To meet the objectives of this MOU, the following strategic directions are envisaged for the Organizations:

- a. The transfer of knowledge between Partnerships BC and Alberta's Ministry of Treasury Board, including best practices and other relevant materials (the Information) that will support the development and refinement of processes that support the delivery of capital projects through public private partnerships. Information transferred will include guidelines and standardized documents, existing documentation such as RFQs and RFPs, research reports, approved policies and practices, and materials under development;
- b. Partnerships BC and Alberta's Ministry of Treasury Board will consult with and assist each other, according to pre-negotiated contractual arrangements, to accelerate their respective organizations' development, to further develop government policy and processes, and to analyze and implement capital projects through public private partnership approaches. Without limiting the scope of the above, the Parties will consult and assist each other by:
 - I. assessing private public financing methodologies for capital project delivery;
 - II. assessing project information to assess the relative benefits of public private approaches to capital project delivery; and
 - III. facilitating project work on selective projects, such as business case development and RFPs.
- c. Under the terms of this MOU, each Party and Organization may review with the other its plans to engage third party consultants to complete research and analysis on various issues. Where the Parties or Organizations choose to share costs, the results of such work will also be shared.
- d. The Parties will position themselves as leaders in public capital project delivery with the goal of improving services for their citizens through public private finance and procurement, and public private partnerships, involving:
 - i. building trust, creating synergies and a win-win approach that will benefit both Parties;
 - ii. finding opportunities and engaging industry and research providers in collectively shaping sustained innovation and a competitive industrial environment;

- iii. exploring opportunities for joint infrastructure planning, procurement, development and investment; and
 - iv. jointly engaging in external communications when of mutual benefit.
- e. This MOU may be extended to include other jurisdictions within Canada which share these areas of mutual concern.

VI. DURATION AND AMENDMENTS:

This MOU becomes effective when it has been executed on behalf of the British Columbia and Alberta Governments and will continue in effect until March 31, 2012 unless terminated prior to that date by either Party. Either Party may terminate this MOU on thirty days written notice, or on such other notice as may be agreed. This MOU may be mutually extended or amended by the agreement of both Parties in writing. This MOU does not commit the Parties to any financial commitment of any kind.

Signed at Edmonton,
18th day of May, 2007

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18th day of May, 2007

original signed

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The Honourable Ed Stelmach
Premier
Government of Alberta

The Honourable Gordon Campbell
Premier
Government of British Columbia