

1975 Bill 29
(Second Session)

First Session, 18th Legislature, '24 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 29

THE PIPELINE ACT, 1975

MR. CHAMBERS

First Reading

Second Reading

Third Reading

Bill 29
Mr. Chambers

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1975

(Second Session)

THE PIPELINE ACT, 1975

(Assented to _____, 1975)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Alberta, enacts as follows:

1. (1) In this Act,
 1. "Board" means the Energy Resources Conservation Board under *The Energy Resources Conservation Act*;
 2. "crude bitumen" means a naturally occurring viscous mixture, mainly of hydrocarbons heavier than pentane, that may contain sulphur compounds, and that in its naturally occurring viscous state is not recoverable at a commercial rate through a well;
 3. "distribution line" means a pipe used for transmitting gas for domestic, commercial or industrial purposes
 - (i) from a gas line or secondary line or a well, or
 - (ii) from that portion of a distribution system within the boundaries of a city, town or village,and includes the installations in connection therewith but does not include any pipe or installation on, within or under a building;
 4. "distribution system" means pipes and installations in connection therewith constructed or operated for the distribution of gas to consumers under Part 6 of *The Municipal Government Act*;
 5. "flow line" means a pipe for
 - (i) the transmission of fluids from an oil well or wells to a tank, battery or common pipeline manifold, or
 - (ii) the transmission of water obtained from oil or gas for disposal to other than an underground formation,and includes installations in connection therewith;

Explanatory Notes

General. This Bill will replace The Pipe Line Act, chapter 275 of the Revised Statutes of Alberta 1970, first enacted in 1958. The new Act will reflect substantial changes in both technology and various phases of administrative concern, including the extension of the scope of the Act beyond the field of oil and gas pipe lines.

1. Definitions.

6. "fluids lines" means a pipe for the transmission of fluids other than
 - (i) oil, or
 - (ii) gas, or
 - (iii) carbon monoxide produced from coal, or
 - (iv) water for a waterworks system that is a public utility, or
 - (v) sewage,
 and includes installations in connection therewith but does not include a flow line or secondary line;
7. "gas" means
 - (i) natural gas both before and after it has been subjected to any processing,
 - (ii) any substance recovered from natural gas, crude oil, oil sands or coal for transmission in a gaseous state, and
 - (iii) any gaseous substance for injection to an underground formation through a well;
8. "gas line" means a pipe for the transmission of gas from a secondary line or storage facility to a distribution centre or storage facility and includes installations in connection therewith but does not include a multiphase line, secondary line, flow line or distribution line;
9. "highway" means
 - (i) a primary highway within the meaning of *The Public Highways Development Act*, or
 - (ii) a secondary road within the meaning of *The Public Highways Development Act* numbered between 900 and 999 pursuant to regulations under that Act;
10. "installation" means
 - (i) any equipment, apparatus, mechanism, machinery or instrument incidental to the operation of a pipeline, and
 - (ii) any building or structure that houses or protects anything referred to in subclause (i), but does not include a refinery, processing plant, marketing plant or manufacturing plant;
11. "licence" means a licence to operate a pipeline under this Act;
12. "licensee" means the holder of a licence;
13. "local authority" means a member of the Executive Council or a municipal corporation having the ad-

- ministration or the direction, management and control, of a road by or under any Act of the Legislature;
14. "manufacturing plant" means a plant that utilizes a mineral or any substance recovered therefrom as a component of a product manufactured by the plant;
 15. "marketing plant" means a plant used for the marketing or distribution of any product obtained from the refining, processing or purifying of oil or gas;
 16. "multiphase line" means a pipe for the transmission of effluent consisting of oil, gas and water in any combination from one or more oil wells and includes installations in connection therewith;
 17. "oil" means
 - (i) crude oil both before and after it has been subjected to any refining or processing,
 - (ii) any hydrocarbon recovered from crude oil, oil sands, natural gas or coal for transmission in a liquid state, and
 - (iii) liquefied natural gas, and any other substance in association therewith;
 18. "oil line" means a pipe for the transmission of oil from a secondary line, storage facility or processing plant to a terminal or storage facility and includes installations in connection therewith but does not include a secondary line or flow line;
 19. "oil sands" means sands or other rock materials which contain crude bitumen and includes all other mineral substances in association therewith;
 20. "permit" means a permit to construct a pipeline granted under this Act or any predecessor of this Act;
 21. "permittee" means a person who is the holder of a permit;
 22. "pipeline" means a gas line, oil line, fluids line, multiphase line, solids line, secondary line, distribution line or flow line;
 23. "processing plant" means a plant for the extraction from gas of hydrogen sulphide, helium, ethane, natural gas liquids or other substances, but does not include a well head separator, treater or dehydrator;
 24. "refinery" means any manufacturing or industrial plant where oil is processed or refined;
 25. "road" means any public road or road allowance other than a highway;

26. "road allowance" means a road allowance as prescribed under *The Surveys Act*, whether containing an existing thoroughfare or not;
27. "secondary line" means a pipe for
- (i) the gathering or transmission of oil or gas in an area, or
 - (ii) the gathering or transmission of oil, gas, water or any other substance in connection with an order made, or any scheme or operation approved, under *The Oil and Gas Conservation Act*, or
 - (iii) the gathering or transmission of water, oil or gas in connection with drilling or production operations in any area, or
 - (iv) the gathering and transmission of solids to a solids line,
and includes installations in connection therewith but does not include a flow line;
28. "solids line" means a pipe for the transmission of a normally solid material whether in suspension or other form and includes installations in connection therewith, but does not include a gas line, oil line, fluids line, multiphase line, secondary line, flow line, distribution line or sewer line;
29. "transmission" includes storage.
- (2) A decision of the Board is final as to whether a pipeline is a gas line, oil line, fluids line, multiphase line, solids line, secondary line, distribution line or flow line.

PART 1
APPLICATION OF ACT

2. Except as otherwise provided in this Act, this Act applies to all pipelines in Alberta other than

- (a) a pipeline situated wholly within the property of a refinery, processing plant, coal processing plant, marketing plant or manufacturing plant, or
- (b) a pipeline for which there is in force
 - (i) a certificate, or
 - (ii) an order exempting the pipeline from a certificate,
issued or made by the National Energy Board under the *National Energy Board Act* (Canada), or
- (c) that portion of a distribution system for the distribution of gas to consumers in a city, town or village that is within the boundaries of the city, town or village, or
- (d) a pipe transmitting gas or oil for use as fuel from a tank that is situated wholly within the property of a consumer and the installations in connection therewith, or
- (e) a gas installation within the meaning of *The Gas Protection Act*, or
- (f) a boiler, pressure vessel or pressure piping system within the meaning of *The Boilers and Pressure Vessels Act*.

2. Application of the Act.

PART 2

POWERS OF THE LIEUTENANT GOVERNOR IN COUNCIL

3. (1) The Lieutenant Governor in Council may make regulations

1. prescribing the information that is to be included or is to accompany any application under this Act or the regulations;
2. prescribing conditions subject to which the holder of a permit or licence under this Act or a person proposing to construct a pipeline may enter upon lands of another person in the absence of an agreement to such entry by that other person;
3. regarding matters preparatory to or in connection with the design, construction, testing, operation, maintenance or repair of pipelines;
4. regarding equipment, materials and installations that may be used in any pipeline or in any works, fittings, machinery or plant connected therewith;
5. as to the measures to be taken in the construction, operation, testing, maintenance, repair, discontinuation of operation, removal or abandonment of any pipeline for the protection of life, property and wild-life;
6. as to the inspection of pipelines both during and after construction;
7. prescribing the measures to be taken to identify and protect from public access any pipeline or installation;
8. defining the changes that may be made with respect to a pipeline without application to the Board;
9. requiring and prescribing tests and surveys at any time;
10. requiring the submission to the Board of information obtained by tests or surveys;
11. respecting the transfer of permits or licences;
12. as to the sale, leasing or change of operator of a pipeline;
13. with respect to flow lines
 - (i) exempting flow lines from any provision of this Act or the regulations, and
 - (ii) prescribing other provisions in substitution therefor;

3. Regulations.

14. with respect to distribution lines
 - (i) exempting distribution lines from any provision of this Act or the regulations, and
 - (ii) prescribing other provisions in substitution therefor;
15. with respect to multiphase lines
 - (i) exempting multiphase lines from any provision of this Act or the regulations, and
 - (ii) prescribing other provisions in substitution therefor;
16. with respect to solid lines
 - (i) exempting solids lines from any provision of this Act or the regulations, and
 - (ii) prescribing other provisions in substitution therefor;
17. applicable to fluids lines generally or to particular fluids lines;
18. prescribing
 - (i) methods and facilities to be utilized for the measurement of any substance transmitted by a pipeline,
 - (ii) methods of recording such measurement, and
 - (iii) standard conditions to which such measurements are to be converted;
19. governing the maintenance of records and providing for their submission to the Board;
20. governing the making of reports and the authority or person to whom they are to be made;
21. as to when and to whom information contained in records, reports and information submitted to or acquired by the Board under this Act may be made available;
22. to meet any special case that may arise and for which no provision is made in this Act.

(2) Where a regulation under subsection (1), clause 1 has prescribed the information to be included in or to accompany an application pursuant to a given provision of this Act or the regulations, the Board is not precluded from considering or acting upon an application pursuant to such provision that does not contain such information or from requiring additional information.

4. The Board may

- (a) prescribe or approve forms to be used under this Act or the regulations, either generally or for any particular case, and
- (b) establish a schedule of fees
 - (i) pertaining to applications or proceedings under this Act or the regulations, and
 - (ii) for any other service provided by the Board.

4. Board may prescribe forms and fix fees.

PART 3

POWERS AND DUTIES OF THE BOARD

5. The Board, when required by the Lieutenant Governor in Council shall, or upon its own motion may, inquire into, examine and investigate any matter relating to

- (a) the economic, orderly and efficient development in the public interest of pipeline facilities in Alberta;
- (b) the observance of safe and efficient practices in the construction and operation of pipelines;
- (c) the control of pollution and conservation of the environment in the development and operation of pipeline facilities.

6. (1) At any reasonable time, a member of the Board or any person authorized by the Board

- (a) is entitled to access to pipelines and routes of proposed pipelines, and to all buildings, installations, structures and land incidental thereto,
- (b) may enter upon any land which he must cross to reach a pipeline or installation,
- (c) may make inspections, investigations or tests of pipelines, and
- (d) may inspect all books, records and documents pertaining to construction, operation and maintenance of pipelines.

(2) A person authorized by the Board to exercise any of the powers referred to in subsection (1) shall, at any time during which he is exercising such powers, produce on demand his certificate of authority from the Board.

(3) Any person who is the holder of a permit or licence under Part 4, or any person in charge of a pipeline or installation, or any contractor or employee of such persons shall permit or assist any member of the Board or any person authorized by the Board in the exercise of the powers conferred by subsection (1).

5. Board investigations

6. Power to inspect.

PART 4
PERMITS AND LICENCES

7. (1) No person shall construct a pipeline or any part thereof or undertake any operations preparatory or incidental to the construction thereof unless he is the holder of a permit or unless he is acting pursuant to a direction of the Board under section 34 authorizing him to do so.

(2) This section does not preclude a person proposing to apply for a permit or his agent from

- (a) entering upon any Crown or other lands lying in the intended route of the pipeline to make surveys or examinations, or
- (b) negotiating for the acquisition of interests in lands that may be required for the pipeline.

8. (1) The Board shall refer an application for a permit or an amendment of a permit to the Minister of the Environment and the Minister of Energy and Natural Resources for their approval of the application as it affects matters of environment.

(2) The Minister of the Environment and the Minister of Energy and Natural Resources or either of them may give their approval with or without conditions, but where conditions are imposed, the Board shall, if it grants a permit or an amendment of a permit, make the permit or amendment subject to the same conditions imposed by the Minister of the Environment or the Minister of Energy and Natural Resources, or both of them, in giving their approval.

(3) Notwithstanding subsection (1), the Minister of the Environment or the Minister of Energy and Natural Resources may direct that an application for a permit or for an amendment of a permit for any pipeline or any type of pipeline specified by him be not referred to him.

(4) The Minister of the Environment or the Minister of Energy and Natural Resources may authorize an officer of his department to exercise the powers conferred on him by this section.

9. The Board shall not grant a permit for

- (a) any pipeline that will be part of a rural gas utility (as defined in *The Rural Gas Act*), or
- (b) an individual tap (as defined in *The Rural Gas Act*), without the consent of the Minister of Utilities and Telephones or a person authorized by him to give that consent.

7. Permit.

8. Reference to the Minister of the Environment and the Minister of Energy and Natural Resources.

9. Rural gas utilities.

10. (1) In considering an application for a permit, the Board may have regard to the advice of the Gas Utilities Board with respect to any matter that it referred to the Gas Utilities Board.

(2) Subject to subsection (1), upon the advice of the Gas Utilities Board or upon its own initiative, the Board may make such changes and alterations in the plan and specifications of a pipeline as it considers expedient.

11. (1) A permit for a pipeline may be granted by the Board subject to such terms and conditions as may be expressed in the permit or the Board may refuse to grant a permit.

(2) The Board, in a permit granted under this section, may stipulate that the permittee shall acquire any interest in land not owned by him and required for the purposes of his pipeline by negotiation with the owner.

12. (1) Where a permittee desires to make any change with respect to a pipeline either before the commencement or during the construction of the pipeline, an application, unless otherwise provided in the regulations, shall be submitted to the Board to amend the permit.

(2) An application under subsection (1) shall be made and dealt with in the same manner as an application for a permit under this Part.

(3) Where an amendment involves a relocation or diversion of the pipeline or proposed pipeline, the Board may cancel the permit and grant a new permit.

13. (1) If a permittee or licensee, after the construction of a pipeline, desires to make any change with respect to that pipeline by alteration, addition, relocation, diversion or extension thereto, he shall submit an application for that purpose to the Board.

(2) An application under subsection (1) shall be submitted and dealt with in the same manner as an application for a permit under this Part.

(3) In granting an application under subsection (1) the Board may

- (a) amend the permit for the pipeline, or
- (b) grant a new permit, or
- (c) exempt in writing the alteration, addition, relocation, diversion or extension from any or all of the provisions of this Part, subject to such terms and conditions as it considers advisable.

10. Consideration of application.

11. Granting of permit.

12. Amendment of permit.

13. Application to amend permit.

- (4) Subsection (1) does not apply to
 - (a) repairs or maintenance made in the course of operations, or
 - (b) minor improvements to an existing installation, or
 - (c) changes made in an emergency.
- (5) Where changes are made to a pipeline in an emergency, particulars thereof shall be forwarded to the Board immediately.

14. When a permit or an amendment of a permit is granted, or at any time thereafter, the Board may prescribe a date by which construction of the pipeline is to be commenced or completed.

15. The Board, in a permit or an amendment of a permit, may

- (a) prescribe the location and route of the pipeline as precisely as it considers suitable, and
- (b) prescribe the location of the right of way of the pipeline and the relationship of its boundaries to the pipeline or any part thereof.

16. The Board may

- (a) cancel a permit if a date was prescribed pursuant to section 14 by which the construction of the pipeline was to be commenced or completed and the pipeline was not commenced or completed by that date, or
- (b) amend a permit if it considers it to be in the public interest to do so, or
- (c) cancel a permit at the request of the permittee, or
- (d) issue a new permit in place of a cancelled permit.

17. (1) Where, in the opinion of the Board, a permittee has not substantially commenced construction of the pipeline for which his permit was issued within one year from the date of the permit, the Board may cancel the permit.

(2) Where, in the opinion of the Board, a permittee has not completed construction of the pipeline for which his permit was issued within 18 months from the date of the permit, the Board may cancel the permit.

(3) A permit issued prior to the commencement of this Act shall not be cancelled pursuant to this section until six months have elapsed after the commencement of this Act.

14. Conditions of permit regarding time of construction and location.

15. Board may prescribe location of pipeline and rights of way.

16. Cancellation of permit.

17. Cancellation of permit for failure to construct.

18. The decision of the Board with respect to an application for a permit or with respect to the cancellation or suspension of a permit is final and there is no appeal therefrom.

19. (1) No person shall operate a pipeline to which this Act applies for any purpose under this Act until he has

- (a) furnished the Board with particulars of the testing of the pipeline, and
- (b) applied for and obtained a licence from the Board.

(2) A person who is operating a pipeline at the commencement of this Act for which no licence was required under *The Pipe Line Act* shall, within two years of the commencement of this Act, in the case of a flow line or within six months of the commencement of this Act in any other case, obtain a licence under subsection (1) and shall be deemed not be in contravention of subsection (1) during that period prior to obtaining the licence.

(3) A licence may be granted by the Board subject to such terms and conditions as may be expressed in the licence or the Board may refuse to grant a licence.

20. A licence shall not be granted by the Board, except provisionally, for

- (a) any pipeline that is part of a rural gas utility (as defined in *The Rural Gas Act*), or
- (b) an individual tap (as defined in *The Rural Gas Act*), without the consent of the Minister of Utilities and Telephones or a person authorized by him to give that consent.

21. A licence granted provisionally by the Board may be for any period not exceeding six months but the Board, upon application, may extend the period if, in its opinion, circumstances warrant it.

22. Where application is made to amend a licence the Board may

- (a) amend the licence, or
- (b) cancel the licence and grant a new licence subject to such terms and conditions as it may prescribe, or
- (c) deny the application.

23. (1) No pipeline for which a licence has been granted shall be used for the transmission of any substance other than the substance authorized by the licence.

(2) Upon an application being made by a licensee to use his pipeline for the transmission of a substance other than the substance authorized by his licence, the Board may amend the licence or cancel the licence and issue a new licence subject to such terms and conditions as it may prescribe.

18. Finality of Board decision.

19. Licence to operate. Section 15 of the present Act.

20. Rural gas utilities.

21. Provisional licence.

22. Amendment of licence.

23. Transmission of unauthorized substance.

24. (1) A permit or licence shall not be transferred without the consent in writing of the Board.

(2) Where the permittee or licensee of a pipeline or proposed pipeline sells or otherwise disposes of his interest therein; a proposed transfer reflecting such transaction shall be filed with the Board.

(3) The proposed transfer shall be in a form prescribed or approved by the Board and shall have endorsed thereon or attached thereto proof of execution satisfactory to the Board.

(4) The transferee shall submit the proposed transfer to the Board together with the prescribed fee.

(5) The Board shall keep a record of every transfer to which it has given consent.

(6) Where the permittee or licensee is a corporation that has been dissolved, the Board may direct that the permit or licence be transferred to any person who agrees to accept a transfer of the permit or licence and who, in the opinion of the Board, has a right to receive it, and the direction of the Board has the same effect as a transfer of permit or licence.

25. (1) Each permittee or licensee of a pipeline shall register with the Board his address and,

- (a) if a resident outside Alberta, shall
 - (i) register with the board an address for service in Alberta,
 - (ii) appoint an agent within Alberta to carry out his duties and other responsibilities under this Act,
 - (iii) notify the Board in writing of the identity of the agent appointed, and
 - (iv) register with the Board the address in Alberta of his agent,
- or
- (b) if a resident in Alberta,
 - (i) may carry out his duties and other responsibilities under this Act through an agent, and
 - (ii) if he carries out his duties and responsibilities through an agent, shall notify the Board in writing of the appointment and identity of the agent and register with the Board the address in Alberta of the agent.

(2) The appointment of an agent in accordance with subsection (1) and the registration of his address with the Board does not relieve the permittee or licensee of any duty or responsibility under this Act.

24. Transfer of permit or licence.

25. Registration.

(3) If any address registered under subsection (1) is changed or if the agent appointed in accordance with subsection (1) is changed or ceases to act, the permittee or licensee shall, within 15 days thereof register the change with the Board.

26. Where a permittee or licensee of a pipeline or proposed pipeline changes his name he shall forthwith advise the Board in writing and the Board may amend the permit or licence accordingly.

27. (1) No corporation shall acquire or hold a permit or licence unless it is

- (a) registered under *The Companies Act*, or
- (b) an association within the meaning of *The Co-operative Associations Act*, or
- (c) licensed under *The Alberta Insurance Act*, or
- (d) registered under *The Trust Companies Act*, or
- (e) incorporated by or under an Act of Alberta and approved by the Board as a company that may acquire or hold a permit or licence, or
- (f) incorporated under the *Bank Act* (Canada).

(2) No syndicate or association of persons other than those listed in subsection (1) shall acquire or hold a permit or licence in the name of the syndicate or association unless it has been incorporated by or under an Act of Alberta and approved by the Board to acquire or hold a permit or licence.

28. Where, at the commencement of this Act, a person is the holder of a permit or licence granted under *The Pipe Line Act*, or its predecessors, the Board may, upon such notice as the Board considers suitable, issue to him a permit or licence under this Act in substitution therefor.

26. Notice of change of name.

27. Capacity to hold permits or licences.

28. Substitution of new permits and licences.

PART 5

SUSPENSION AND SHUTTING DOWN

29. (1) Where it appears to the Board or its authorized representative that in the construction or operation of a pipeline there has been or is a contravention of, or failure to comply with, any provision of this Act, the regulations, a permit or licence or an order or direction of the Board or that a method or practice employed or any equipment or installations at a pipeline is improper, hazardous, inadequate or defective,

- (a) the Board or its representative may order that approved methods or equipment be adopted or that remedial measures be taken before the construction or operation of the pipeline may proceed, or
- (b) the Board or its representative may order that the construction or operation of the pipeline be suspended, or
- (c) the Board may call an inquiry.

(2) Where a representative of the Board makes an order under subsection (1), clause (a) or (b), he shall, as soon as possible, report to the Board and advise in writing the permittee or licensee, if any, setting out the reasons for his action.

30. (1) Where the construction or operation of a pipeline is suspended pursuant to section 29, subsection (1), clause (b), the Board, within five days of the suspension, exclusive of holidays, shall hold an inquiry to investigate the circumstances leading to the suspension.

(2) Where the adoption of approved methods or equipment or the taking of remedial measures is ordered pursuant to section 29, subsection (1), clause (a) and the construction or operation of the pipeline is suspended pending conformity with the order, the permittee or licensee may request an inquiry and if he does so, the Board shall hold an inquiry within five days, exclusive of holidays, of the date of receipt of the request.

31. (1) Within 15 days of the conclusion of an inquiry pursuant to section 29 or 30, the Board may

- (a) allow the construction or operation of the pipeline to continue or resume subject to such conditions as the Board may prescribe, or
- (b) order the continued suspension of the construction or operation of the pipeline until such time as the Board orders to the contrary, or

29. Suspension of construction or operation.

30. Inquiry.

31. Disposition of inquiry.

(c) cancel or suspend the permit or licence for the pipeline.

(2) Upon the cancellation or suspension of a permit or licence by the Board, no construction shall be carried out and no oil, gas, water or other substance shall be transmitted in the pipeline until the permit or licence has been reinstated or a new permit or licence has been issued by the Board except such as the Board authorizes to maintain the facilities in a state whereby operations can be carried out in accordance with the Act.

PART 6
GENERAL

32. A licensee shall not

- (a) suspend the normal operation of a pipeline, except in an emergency or for repairs or maintenance or in the ordinary course of operating the pipeline, or
- (b) discontinue the operation of a pipeline, or
- (c) resume the operation of a pipeline previously discontinued,

without the consent in writing of the Board or in accordance with an order of the Board.

33. (1) Except in the ordinary course of making repairs or of maintenance, no pipeline or part thereof may be taken up, removed or abandoned without the consent of the Board and the consent of the Board may be given subject to such terms and conditions as the Board may prescribe.

(2) The Board may cancel the licence or amend the licence because of the taking up, removal or abandonment of the pipeline or any part thereof.

34. (1) Where in its opinion it would be in the public interest to do so, the Board may, upon such terms and conditions as it considers proper, direct a permittee or licensee

- (a) to alter or relocate any part of his pipeline, or
- (b) to install additional or other equipment on his pipeline.

(2) Where the Board directs the alteration or relocation of part of a pipeline or the installation of additional or other equipment on a pipeline, it may order by whom and to whom payment for the actual cost of the alteration or relocation or any portion thereof shall be made.

(3) If a dispute arises as to the amount to be paid pursuant to an order under subsection (2), it shall be referred to the Board and the Board's decision shall be final.

35. (1) The Board may order that a representative sample of the substance being transmitted by a pipeline be taken and analysed by such person as it may determine.

(2) The Board may at any time require the permittee or licensee of a pipeline to make inspections, investigations or tests of the pipeline and may prescribe the manner in which they are to be made.

36. (1) Where a leak or break occurs in a pipeline, the permittee or licensee shall immediately cause the Board to be informed of the location of the leak or break.

32. Discontinuation of operations.

33. Removal.

34. Alteration or relocation.

35. Samples and tests.

36. Leaks and breaks.

(2) When a leak or break in a pipeline has been repaired, the permittee or licensee shall make a report in writing to the Board in accordance with the regulations.

(3) When a pipeline that is transmitting oil breaks on Crown land or in a forested area, the licensee shall immediately report the location of the break and the approximate quantity of oil that has escaped, to an employee or officer of the Department of Energy and Natural Resources.

(4) The provisions of this section extend to a pipeline for which there is in force a certificate or an order exempting the pipeline from a certificate made or issued by the National Energy Board under the *National Energy Board Act* (Canada) and to the person constructing or operating the pipeline as though that person was the permittee or licensee, as the case may be, of the pipeline.

37. (1) Where any substance escapes from a pipeline and it appears to the Board that such substance may not otherwise be contained and cleaned up forthwith, the Board may

- (a) direct the pipeline operator or licensee, or such pipeline operators or licensees who in the opinion of the Board could be responsible for a pipeline from which the substance escaped, to take any steps that the Board considers necessary to contain and clean up, to the satisfaction of the Board and the Department of the Environment, the substance that has escaped and to prevent further escape of the substance, or
- (b) enter upon the area where the substance has escaped and conduct such operations as it considers necessary to contain and clean up the substance that has escaped and to prevent further escape of the substance.

(2) Where the Board enters upon an area pursuant to subsection (1), clause (b),

- (a) every person responsible for the escape of the substance, every pipeline operator or licensee who in the opinion of the Board could be responsible for a pipeline from which the substance escaped and every officer and employee of such person, operator or licensee shall, until the operations to be conducted by the Board are completed, obey the orders concerning such operations given by the Board or such person or persons as the Board places in charge of such operations;
- (b) the Board may recover, deal with and dispose of the escaped substance as if it were the property of the Board, and if any such substance is sold, apply the proceeds to pay the costs and expenses of the operations conducted by the Board;

37. Clean up of spills.

(c) the Board may engage such persons as it considers necessary to conduct any of the operations on its behalf.

(3) Where any operations are conducted pursuant to this section

(a) by an operator, licensee or other person under subsection (1), clause (a) and the operator, licensee or person requests the Board to do so, or

(b) by or on behalf of the Board under subsection (1), clause (b),

the Board may determine the costs and expenses of such operations and direct by whom and to what extent they are to be paid.

(4) No action or proceeding may be brought against a person named in a direction issued pursuant to subsection (1), clause (a) in respect of any act or thing done pursuant to the direction.

PART 7

USE AND ACQUISITION OF LANDS

38. (1) Subject to sections 39 to 41, a person who has the right to construct or operate a pipeline under this Act has the right to do so on, across, over or under any highway or road.

(2) A person exercising any right granted under subsection (1) shall

- (a) during construction or repair of the pipeline, take care to preserve, as far as possible, a free and uninterrupted passage to and over the portion of the highway or road affected, and
- (b) during operation of the pipeline, do nothing to prevent a free and uninterrupted passage to and over the portion of the highway or road affected.

39. (1) No pipeline shall be constructed on, across, over or under any highway without the approval of the Minister of Transportation.

(2) An application for approval under subsection (1) shall be accompanied by a plan and profile of the portion of the highway affected.

(3) The land in which an interest is required for a pipeline parallel to a highway shall not be located nearer than 100 feet, or such greater distance as the Board may stipulate, to the boundary of the highway without the approval of the Minister of Transportation.

(4) Where a pipeline crosses a highway, no bend shall be permitted in that portion of the pipeline within

- (a) the boundaries of the highway, or
 - (b) 100 feet, or such greater distance as the Board may stipulate, of the boundaries of the highway,
- without the approval of the Minister of Transportation.

40. (1) No pipeline shall be constructed on, across, over or under any road without the approval of the local authority concerned.

(2) The land in which an interest is required for a pipeline parallel to a road shall not be located nearer than 100 feet to the boundary of the road without the approval of the local authority concerned.

(3) Where a pipeline crosses a road, no bend shall be permitted in that portion of the pipeline within the boundaries of the road or within 25 feet of the boundary of the road without the approval of the local authority concerned.

38. Pipeline under highway.

39. Approval of pipeline.

40. Pipeline crossing road.

41. Where the Board is satisfied that an approval required by section 40 cannot reasonably be obtained from a municipal corporation, it may, upon application, grant the required approval subject to such terms and conditions as it considers suitable in the circumstances.

42. No pipeline shall be constructed on, across, over or under an irrigation canal or ditch under *The Irrigation Act* or a drainage ditch under *The Drainage Districts Act* without the approval of the owner, or, where approval cannot reasonably be obtained therefrom, without the approval of the Board.

43. Where the description of land in a certificate of title issued to a person other than the Crown does not except, reserve or otherwise refer to land, owned by the Crown, that comprises at any time the bed or shore of a lake, river, stream or other body of water then, notwithstanding anything in *The Public Lands Act*, any person who has the right to construct or operate a pipeline under this Act has the right to do so on, across, over or under such bed or shore.

44. No person, without the authority of the Board, shall construct a pipeline or part thereof so as to interfere with the present workings of a mine or quarry or obstruct any opening thereto.

45. If during construction or operation of a pipeline any damage occurs to any structure, another pipeline or to a private or public utility, the permittee or the licensee, as the case may be, shall immediately cause the damage to be repaired unless an arrangement has otherwise been made with the owner thereof.

46. (1) No pipeline shall be constructed under a building used or capable of being used as a public building, residence, office, warehouse or factory without the approval of the Board, and the Board may make its approval subject to such terms and conditions as it may prescribe.

(2) Subsection (1) does not apply where the pipeline will deliver a substance to the building for use therein.

47. In sections 48 to 50,

- (a) "land" means land other than mines or minerals;
- (b) "operator" means a permittee or licensee.

41. Board may approve in lieu of municipal corporation.

42. Irrigation canal or drainage ditch.

43. River or stream.

44. Mines and quarries.

45. Repair of damage.

46. Public buildings, etc.

47. Definitions.

48. (1) Where an operator requires an interest in land for the purposes of his pipeline, the interest may be acquired in lands owned by the Crown or by any other person

- (a) by negotiation with the owner, or
- (b) by an order under *The Surface Rights Act*, if the operator is entitled to apply under that Act, or
- (c) by an order under *The Water, Gas, Electric and Telephone Companies Act*, if the operator is a company within the meaning of that Act, or
- (b) by a certificate of approval under *The Expropriation Act*.

(2) Notwithstanding subsection (1), where a permit for a pipeline contains a stipulation in accordance with section 11, subsection (2) and the operator requires an interest in land for the purposes of that pipeline, he shall not acquire the interest otherwise than by negotiation with the owner.

(3) Where it appears to the Minister of Utilities and Telephones that an interest in land for the purposes of a pipeline of a rural gas utility cannot be acquired in accordance with subsection (2), then, notwithstanding the stipulation contained in the permit, he may direct that the interest be acquired by expropriation under such terms and conditions as he may prescribe and in such case the operator shall not by reason only of proceeding in that manner, be in contravention of the stipulation contained in the permit.

49. Where an operator obtains a certificate of approval under *The Expropriation Act* for the purposes of his pipeline,

- (a) the certificate of approval, unless otherwise provided, vests in the operator an exclusive interest in the land described in the certificate for the purposes named therein, with such annexed rights in or over other land as may be specified in the certificate, but the certificate of approval does not give an operator
 - (i) any right for entitlement to a certificate of title under *The Land Titles Act* for the interest in land acquired by the operator by the certificate of approval, or
 - (ii) the right to carry away sand, gravel, clay or marl from the land in respect of which the certificate of approval was granted,and
- (b) the certificate of approval shall be deemed to be an instrument referred to in section 71 of *The Land Titles Act*.

50. Subject to section 48, subsection (2), if the location of a right of way is precisely defined in the permit, the powers granted by this Part to the operator of the pipeline apply to lands within that location.

48. Acquisition of interest in lands.

49. Effect of orders.

50. Land that may be acquired.

PART 8
MISCELLANEOUS

51. (1) Every person who

- (a) obstructs or causes any obstruction to the construction, repair, operation or dismantling of a pipeline, or
 - (b) wilfully does any damage to a pipeline, or
 - (c) harms, removes, defaces or destroys a sign erected under this Act or the regulations except for replacement, repair or removal under the regulations,
- is guilty of an offence.

(2) Every person who

- (a) whether as a principal or otherwise, contravenes or defaults in complying with any provision of this Act or of the regulations or of any order, direction, permit or licence under this Act, or
 - (b) either alone or in conjunction or participation with others causes any holder of a permit or licence to contravene or to default in complying with any such provision, or
 - (c) instructs, orders, directs or causes any officer, agent or employee of any holder of an approval, permit or licence to contravene or to default in complying with any such provision,
- is guilty of an offence.

(3) Every person who prevents, hinders, obstructs, molests or otherwise interferes with, or who fails to assist, a member of the Board or a person authorized by the Board in the exercise of the powers conferred by section 6, subsection (1) is guilty of an offence.

(4) Every person who knowingly makes a false statement in any record required to be kept or any report required to be made by this Act or the regulations is guilty of an offence.

52. No prosecution for an offence under this Act shall be commenced more than 18 months from the time when the subject matter of the proceedings arose.

53. (1) Subject to subsection (2), every person who is guilty of an offence under this Act is liable on summary conviction,

- (a) if a corporation, to a fine of not less than \$300 and not more than \$1,000, or

51. Offences.

52. Limitations.

53. Penalties.

- (b) if a person other than a corporation, to a fine of not less than \$50 and not more than \$500 and in default of payment to a term of imprisonment not exceeding six months.
- (2) Every person who is found guilty of an offence under this Act that is a continuing offence is liable on summary conviction,
- (a) if a corporation to a fine of not less than \$300 and not more than \$1,000 for the first day upon which the offence occurs and of not less than \$100 and not more than \$500 for each subsequent day during which the offence continues, or
 - (b) if a person other than a corporation, to a fine of not less than \$50 and not more than \$500 for the first day upon which the offence occurs and of not less than \$25 and not more than \$250 for each subsequent day during which the offence continues.
- (3) A person other than a corporation who defaults in payment of a fine imposed for a continuing offence is liable to imprisonment for a term not exceeding six months.

54. (1) *The Gas Utilities Act is amended by striking out section 51.1 and by substituting therefor the following section:*

51.1 The Minister of Energy and Natural Resources, the Energy Resources Conservation Board or the Public Utilities Board may refer an application under Part 4 of *The Pipeline Act, 1975* for a permit for a pipeline for the transmission of gas to the Gas Utilities Board for its advice on any matter in connection with the proposed pipeline.

(2) *The Rural Gas Act is amended as to section 39, subsection (3), clause (a) by striking out the words "section 23, 26 or 27 of The Pipe Line Act," and by substituting therefor the words "section 38, 42 or 43 of The Pipeline Act, 1975,".*

55. *The words "The Pipe Line Act" are struck out wherever they appear in the following provisions and the words "The Pipeline Act, 1975" are substituted therefor:*

The Boiler and Pressure Vessels Act, section 4, subsection (3);

The Energy Resources Conservation Act, section 18, subsection (1), clause (a) and subsections (2) and (5);

The Expropriation Act, section 26, subsection (2), clause (a);

The Oil and Gas Conservation Act, section 18, subsection (4);

54. Consequential.

55. Consequential.

The Planning Act, section 18, subsection (1), clause (d);

The Public Highways Development Act, section 11, clause (f) and section 26, subsection (1), clause (f);

The Rural Gas Act, section 1, clause (a) and section 27;

The Surface Reclamation Act, section 2, subsection (1), clause (k).

56. *The Pipe Line Act* is hereby repealed.

57. This Act comes into force on a date to be fixed by Proclamation.

56. Chapter 275 of the Revised Statutes of Alberta 1970, repealed.