

1976 Bill 48

Second Session, 18th Legislature, 25 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 48

THE CO-OPERATIVE ASSOCIATIONS AMENDMENT ACT, 1976

MR. COOKSON

First Reading

Second Reading

Third Reading

BILL 48

1976

THE CO-OPERATIVE ASSOCIATIONS AMENDMENT ACT, 1976

(Assented to _____, 1976)

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

1. *The Co-operative Associations Act is hereby amended.*
2. *Section 4, subsection (6) is amended by striking out the words "and set out in Schedule B" and by substituting therefor the words "as prescribed by the Minister".*
3. *Section 22 is amended*
 - (a) *as to subsection (1) by adding after the word "may" the words "by resolution",*
 - (b) *as to subsection (2) by adding after the word "set" the words "by resolution",*
 - (c) *by striking out subsection (3) and by substituting the following subsections:*
 - (3) The association may, notwithstanding any other provision of this Act, at an annual general meeting or at a special general meeting called for the purpose, by resolution set a special levy to be imposed on the members for the purpose specified in the resolution and the levy may be collected by whatever means the directors consider advisable.
 - (4) A member refusing to pay a levy made pursuant to this section in the manner prescribed by the directors is liable to have the supply to him of electricity or gas or both discontinued upon order of the directors after such notice to him as the directors may prescribe.

Explanatory Notes

1. This Bill will amend chapter 67 of the Revised Statutes of Alberta 1970.

2. Section 4, subsection (6) presently reads:

(6) The memorandum of association and by-laws shall be filed in the first instance with the Director and shall be accompanied by a deposit of the fees payable to the Registrar and set out in Schedule B.

3. Section 22 presently reads:

22. (1) An association incorporated to supply electric power and natural gas, or either, to its members may impose an annual membership levy upon each of its members, notwithstanding any other provision of this Act.

(2) At each annual meeting of the association, the membership levy shall be set for the next ensuing year, and the levy may be collected by whatever means the directors deem advisable.

(3) A member refusing to pay a membership levy made pursuant to this section in the manner prescribed by the directors is liable to have the supply to him of electricity or gas, or both, disconnected upon order of the directors after such notice to him as the directors may prescribe.

4. The following sections are added after section 41:

41.1 (1) Where an electrical line owned by a rural electrification association is no longer used for the supply of electricity, the association may authorize an agent or employee of the association, after giving notice, to enter at any reasonable time upon the lands on which the line is located and remove therefrom any fitting, apparatus, wire, conductor, transformer, pole or other thing constructed or placed on the lands by or on behalf of the association.

(2) Before any action is taken under subsection (1), the association shall give the owner of the lands an opportunity to enter into an agreement respecting the removal and, if the owner requests an agreement, the agreement shall at his option be either

(a) an agreement providing that

- (i) the service contract, if any, is terminated,
- (ii) the owner's membership, if any, in the association is terminated,
- (iii) the net salvage proceeds shall be paid to the owner, and
- (iv) in the event that the owner later applies to have the supply of electricity re-established, he shall pay the average installation cost paid by other members of the association or the actual cost of the installation, whichever is the greater,

or

(b) an agreement providing that

- (i) the service contract, if any, is terminated,
- (ii) the owner's membership, if any, in the association is terminated,
- (iii) the net salvage proceeds shall be paid into the association's deposit account, and
- (iv) in the event that the owner later applies to have the supply of electricity re-established, he shall pay the actual cost of the installation, less the proceeds referred to in subclause (iii), notwithstanding that the payment may be less than the average installation cost paid by other members of the association.

(3) Notwithstanding subsection (1), there shall be no removal where the owner of the lands agrees in writing to pay for the cost of maintaining the line and any fitting, apparatus, wire, conductor, transformer, pole or other thing constructed or placed on the lands by or on behalf of the association but subsection (1) shall apply in the event that any payment required by the agreement is not made.

4. 41.1 Rural Electrification Associations are empowered to remove electrical lines and facilities which are no longer needed.

- (4) A notice under subsection (1)
 - (a) shall be given at least 30 days before the intended removal,
 - (b) shall be served personally or by registered mail on the occupant of the lands, if any, and on the owner of the lands,
 - (c) shall describe the rights of the owner under subsections (2) and (3), and
 - (d) shall be approved by the Director.

(5) An electrical line and any fitting, apparatus, wire, conductor, transformer, pole or other thing erected or placed in or on any lands by or on behalf of a rural electrification association before or after the commencement of this section shall be deemed to be and to always have been the property of the rural electrification association.

(6) A removal under this section does not affect any indebtedness under a lien note created pursuant to *The Rural Electrification Long Term Financing Act* or *The Rural Electrification Revolving Fund Act*.

(7) In this section "owner" means a person who is purchasing the fee simple estate in the lands under an agreement for sale or, in the absence of such a person, the registered owner of the fee simple estate.

41.2 (1) Where the physical assets of a rural electrification association have been acquired by a utility company, the association or the Director may by written notice direct that company to discontinue supplying electricity to any person who defaults in payment due to the association pursuant to a lien note under *The Rural Electrification Long Term Financing Act* or *The Rural Electrification Revolving Fund Act*.

(2) Where a notice is given to a utility company under subsection (1),

- (a) the association or the Director shall, within five days of giving it to the company, serve a copy of that notice on the person in default either personally or by registered mail addressed to the address of that person according to the records of the association, and
- (b) the utility company shall not discontinue supplying electricity to that person until the expiry of a period of 30 days from the date on which the company received the notice from the association or the Director.

(3) A utility company shall not resume supplying electricity to a person in respect of whom a direction is given under subsection (1) until the Director otherwise orders or the association advises that the default has been remedied.

41.2 To enable rural electrification associations which now supply electricity through agents to enforce payment on lien notes.

5. *Section 51 is struck out and the following section is substituted:*

51. The Minister may prescribe

- (a) the services of the Registrar for which fees are payable, and
- (b) the fees payable to the Registrar therefor.

6. *The following section is added after section 64:*

64.1 (1) Where it appears to the Director that any refinancing of a lien note of a member of a rural electrification association is not being expedited, the Director may act on behalf of the board of directors of that association for the purpose of expediting the refinancing of that lien note.

(2) The Director may only act under subsection (1) where

- (a) the member of the rural electrification association is in default in the repayment of a lien note under *The Rural Electrification Revolving Fund Act* and wishes to refinance the note under *The Rural Electrification Long Term Financing Act*, or
- (b) the rural electrification association is in arrears on its repayment of the member's lien note under *The Rural Electrification Revolving Fund Act*, or
- (c) the board of directors have failed to act upon the approval of the refinancing within a period of 30 days from the mailing of the refinancing request from the Director, or
- (d) the member requests that his lien note under *The Rural Electrification Revolving Fund Act* be refinanced under *The Rural Electrification Long Term Financing Act*.

7. *Schedule B is struck out.*

8. *This Act comes into force on the day upon which it is assented to.*

5. Section 51 presently reads:

51. The services of the Registrar for which fees are payable are those set out in Schedule B and the amount of the fees is as set out therein, and all sums paid to the Registrar on account of such sums shall be paid into and form part of the General Revenue Fund.

6. This new section will enable the Director to facilitate refinancing.

7. Schedule B provides for the fees to be paid to the Registrar under the Act. Fees will now be prescribed by the Minister.