

1977 BILL 34

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Third Session, 18th Legislature, 26 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **BILL 34**

**THE HYDRO AND ELECTRIC ENERGY  
AMENDMENT ACT, 1977**

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THE MINISTER OF UTILITIES AND TELEPHONES

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First Reading .....

Second Reading .....

Third Reading .....

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## BILL 34

1977

### THE HYDRO AND ELECTRIC ENERGY AMENDMENT ACT, 1977

(Assented to \_\_\_\_\_, 1977)

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

1. *The Hydro and Electric Energy Act is hereby amended.*
2. *Section 1 is amended*
  - (a) *as to subsection (1) by striking out clause 3 and substituting the following:*
    3. “electric energy” in addition to its ordinary meaning includes
      - (i) energy associated with an electromotive force, and
      - (ii) power and reactive power and other electromagnetic effects associated with electric energy;
  - (b) *as to subsection (1) by adding after clause 6 the following:*
    - 6.1. “industrial system” means the whole or any part of an electric system primarily intended to serve one or more industrial operations of which the system forms a part and designated by the Board as an industrial system;
  - (c) *as to subsection (2), clause (b) by adding after the words “a transmission line,” the words “industrial system,”.*
3. *Section 2 is amended by striking out clause (c) and by substituting therefor the following:*
  - (c) to provide for the economic, orderly and efficient development and operation in the public interest of

## **Explanatory Notes**

1. This Bill will amend chapter 49 of the Statutes of Alberta, 1971.
2. Defines “industrial system”. Section 1, subsection (1), clause 3 and subsection (2) presently read:
  3. *“electric energy” has its ordinary meaning and includes energy associated with an electromotive force;*
  - (2) *The decision of the Board is final as to whether*
    - (a) *a definition in subsection (1) is applicable in a particular case, or*
    - (b) *any line or system or installation is, or is part of, a power plant, a transmission line or an electric distribution system.*
3. Section 2, clause (c) presently reads:
  2. *The purposes of this Act are*
    - (c) *to provide for the economic, orderly and efficient development in the public interest of hydro energy and the generation of electric energy in Alberta,*

- (i) hydro energy in Alberta, and
- (ii) the generation and transmission of electric energy in Alberta;

*4. Section 3, subsection (1) is amended by adding after clause 4 the following:*

- 4.1. prescribing the persons or class of persons who are required to notify the Board and provide the Board with the required information under section 8.1, 12 or 19;
- 4.2. prescribing those interconnected electric systems and communications systems to which section 14, subsection (1), clause (b) and subsection (2), clause (c.1) applies;
- 4.3. designating the whole or any part of an electric system as an industrial system;

*5. Section 8 is amended by striking out subsection (2).*

*6. The following section is added after section 8:*

**8.1.** (1) Sections 7, 7.1 and 7.2 do not apply to a person generating or proposing to generate electric energy solely for his own use, unless the Board otherwise directs.

(2) Notwithstanding subsection (1), a person generating or proposing to generate electric energy solely for his own use shall, where required by regulation to do so, immediately notify the Board of the use or proposed use and provide such details of the generation and use as the Board may require.

*7. Section 12 is struck out and the following is substituted therefor:*

**12.** (1) Sections 9 to 11 do not apply to a person transmitting or proposing to transmit over his own land electric energy solely for his own use by means of a line that does not cross a public highway, unless the Board otherwise directs.

(2) Notwithstanding subsection (1), a person transmitting or proposing to transmit electric energy solely for his own use shall, where required by regulation to do so, immediately notify the Board of the use or proposed use and provide such details of the transmission and use as the Board may require.

**4.** The opening words of section 3, subsection (1) presently read:

*3. (1) The Board may make regulations*

**5.** Subsection (2) of section 8 is re-enacted as subsection (1) of the proposed section 8.1.

**6.** Self-explanatory.

**7.** Section 12 presently reads:

*12. Sections 9 to 11 do not apply to a person proposing to transmit over his own land electric energy solely for his own use, by means of a line that does not cross a public highway.*

8. *Section 13 is amended by striking out subsection (2) and by substituting therefor the following:*

(2) The Board may, in an order under subsection (1), provide for the payment of compensation and prescribe the persons by whom and to whom the compensation is payable.

(3) Where an order under this section provides for the payment of compensation pursuant to subsection (2), the Board may at any time provide that if agreement on the amount of compensation cannot be reached between the parties, the amount shall be determined by the Public Utilities Board on the application of either party.

9. *Section 14 is amended*

(a) *by striking out subsection (1) and by substituting therefor the following:*

**14.** (1) The owner or operator of a power plant, transmission line or electric distribution system shall not connect his power plant, transmission line or electric distribution system, or cause or permit it to be connected,

(a) to any other power plant, transmission line or electric distribution system, unless the connection is in accordance with an order under this section, or

(b) to any industrial system or other service where the connection may seriously affect the operation of an interconnected electric system or a communications system as prescribed in the regulations.

(b) *as to subsection (2), by adding after clause (c) the following:*

(c.1) require the owner to suspend the use of any connection where, in the opinion of the Board, the continuation of a connection may seriously affect the operation of any interconnected electric system or communications system, or

10. *Section 15 is amended by striking out subsection (2) and by substituting therefor the following:*

(2) Without restricting the generality of subsection (1), the Board may do one or more of the following:

**8. Section 13 presently reads:**

*13. (1) The Board may, upon such terms and conditions as it considers proper, direct a permittee or licensee to alter or relocate any part of his transmission line if in the Board's opinion the alteration or relocation would be in the public interest.*

*(2) Where the Board directs the alteration or relocation of any part of a transmission line, it may order the payment of such compensation as it may determine and by whom, and to whom the compensation is payable.*

**9. Section 14, subsections (1) and (2) presently read:**

*14. (1) The owner or operator of a power plant, transmission line or electric distribution system shall not connect his power plant, transmission line or electric distribution system, or cause or permit it to be connected, to any other power plant, transmission line or electric distribution system unless the connection is in accordance with an order under this section.*

*(2) The Board, either upon its own initiative or upon application or complaint in writing, may, with the authorization of the Lieutenant Governor in Council and by order in writing directed to the owner of a power plant, transmission line or electric distribution system,*

- (a) if upon the application of the owner or operator, approve the plans of the owner subject to any modification or alteration the Board considers desirable, or deny the application, or*
- (b) require the owner to connect his works with other works or proposed works owned by him or by any other owner of a power plant, transmission line or electric distribution system, or*
- (c) require the owner to buy electric energy from, sell electric energy to or exchange electric energy with any other owner of a power plant, transmission line or electric distribution system, or*
- (d) require the owner to share and participate, or otherwise combine its interests for the production, transmission or distribution of electric energy with any other owner of a power plant, transmission line or electric distribution system,*

*and may prescribe such terms and conditions as the Board considers suitable.*

**10. Section 15, subsection (2) presently reads:**

*(2) Without restricting the generality of subsection (1), the Board may*

- (a) require changes in the plans and specifications of a hydro development, power plant or transmission line;
- (b) require changes in the location of a hydro development, power plant or transmission line;
- (c) prescribe a date before which the construction of, or operation of, the hydro development, power plant or transmission line must commence;
- (d) prescribe the location and route of the transmission line as precisely as it considers suitable;
- (e) prescribe the location of the right of way of the transmission line and the relationship of its boundaries to the transmission line or any part thereof.

*11. Section 16 is struck out.*

*12. The following section is added after section 16:*

**16.1.** (1) The holder of an approval, permit or licence under this Part shall prepare and file with the Board contingency plans satisfactory to the Board setting forth the methods by which the holder intends to avoid or minimize the effect of any system emergency or large scale interruption with respect to the supply of electric energy on the holder's electric system or on any interconnected electric system.

(2) In the event of a system emergency or large scale interruption with respect to the supply of electric energy, or where such an event may be reasonably foreseen, the holder of an approval, permit or licence shall

- (a) promptly report to the Board all necessary details and circumstances of the interruption or emergency, including any developing emergency which the operator may reasonably foresee,
- (b) take appropriate and prompt action to implement any contingency plans, to minimize the effects of the interruption or emergency and to maintain or restore an adequate supply of electric energy, and
- (c) comply promptly with any order or direction of the Board, whether written or oral, to minimize the effects of the interruption or emergency.



- (a) require changes in the plans and specifications of a hydro development, power plant or transmission line, or*
- (b) require changes in the location of a hydro development, power plant or transmission line, or*
- (c) prescribe a date before which the construction of, or operation of, the hydro development, power plant or transmission line must commence.*

**11. Section 16 presently reads:**

*16. The holder of an approval, amendment of approval or permit under this Part, shall, within three months of the completion of any construction authorized by the approval, amendment or permit, file with the Board plans of the hydro development, power plant or transmission line as constructed and such related particulars as the Board may require.*

**12. Provisions for meeting emergencies.**

(3) Notwithstanding section 7.1, 7.2 or 11, where an operator has discontinued the operation of but has not dismantled or removed a hydro development, power plant or transmission line and an interruption or emergency is experienced or is reasonably foreseen, the Board may authorize, or with the approval of the Minister of Utilities and Telephones may order, the operation of the hydro development, power plant or transmission line and associated facilities until the interruption or emergency or the foreseen interruption or emergency has passed.

(4) Where an order of the Board is made under subsection (2) or (3), the order

- (a) if not made in writing, shall be confirmed in writing within five of the Board's working days from the date the order was made, and
- (b) shall be effective for not more than 30 days from the date the order was first made but may be extended where necessary for such further period or periods, not exceeding 30 days each, as may be appropriate in the circumstances.

(5) Emergencies, interruptions and necessary actions resulting therefrom in compliance with this section, do not constitute a discontinuance of operation under section 17.

*13. Section 19 is struck out and the following is substituted therefor:*

**19.** (1) A person distributing or proposing to distribute electric energy solely on land of which he is the owner or tenant, for use on that land and not across a public highway, is not subject to this Part unless the Board otherwise directs.

(2) Notwithstanding subsection (1), a person distributing or proposing to distribute electric energy solely on land of which he is the owner or tenant, for use on that land and not across a public highway, shall, where required by regulation to do so, immediately notify the Board of the use or proposed use and provide such details of the distribution and use as the Board may require.

*14. The following section is added after section 25:*

**25.1.** (1) Where a rural electrification association

- (a) under an order made under section 23,
  - (i) has the size of its service area reduced, or
  - (ii) ceases to operate in a service area or part thereof,

**13.** Section 19 presently reads:

*19. This Part does not apply to a person who transmits electric energy solely on land of which he is the owner or tenant for use on such land and not across a public highway.*

**14.** Rural electrification association.

or

- (b) upon being authorized under section 24 to do so, discontinues the operation of its electric distribution system,

the Board may, where in the Board's opinion it is in the public interest to do so and upon such notice and proceedings as the Board considers suitable, by order transfer to another person the service area or part thereof served by the rural electrification association.

(2) Where the Board makes an order under subsection (1), it may

- (a) for the purpose of ensuring the continued distribution of electric energy within the service area or part thereof that was served by the rural electrification association, provide for
  - (i) the transfer of any facilities associated with the electric distribution system from the rural electrification association to another party, and
  - (ii) the operation of the electric distribution system or part thereof by such party as the Board may direct,

and

(b) provide for any or all of the following:

- (i) the payment of compensation, if any, and the matters in respect of which compensation is payable;
- (ii) the persons by whom compensation is payable and the apportionment of liability for the compensation among those persons;
- (iii) the determination by the Public Utilities Board of the amount of compensation if that amount cannot be agreed upon between the parties;
- (iv) such other matters as may be necessary with respect to the transfer of the service area or part thereof or with respect to the transfer of any facility associated with the electric distribution system from the rural electrification association to another person.

(3) In this section "rural electrification association" means an association as defined in *The Co-operative Associations Act* and that has as its principal object the supplying of electric energy in a rural area to the members of that association.



*15. Section 30 is amended by adding after the words “interest may be acquired” the words “in lands owned by the Crown or by any other person”.*

*16. The following section is added after section 30:*

**30.1.** Where the location of a right of way for a transmission line is prescribed in a permit issued under section 9 or in a direction issued under section 13, the powers granted by this Part to the operator of a transmission line apply only to the lands within that location.

*17. Section 31 is amended by striking out clause (b) and by substituting therefor the following:*

- (b) the plans have been approved by The Alberta Government Telephones Commission, or where that approval cannot reasonably be obtained, the plans have been approved by the Minister of Utilities and Telephones.

*18. Section 33 is amended by striking out subsection (1) and by substituting therefor the following:*

**33.** (1) Where it appears to the Board or its authorized representative that there has been a failure to comply with the provisions of this Act, the regulations or the terms and conditions of an approval, permit or licence, or that a method or practice employed or any equipment or installation used is improper, hazardous, inadequate or defective, the Board, by order, may

- (a) cancel or suspend an approval, permit or licence, or
- (b) make such other order as it considers suitable in the circumstances.

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

**15. Section 30 presently reads:**

*30. Where an operator requires an estate or interest in land for the purposes of a power plant or a transmission line, the estate or interest may be acquired*

- (a) by negotiation with the owner, or*
- (b) by expropriation under The Expropriation Act, in the case of a power plant, or*
- (c) by proceedings under The Surface Rights Act, in the case of a transmission line.*

**16. Application of Part 4 to lands located in a right of way.**

**17. Section 31 presently reads:**

*31. An operator shall not construct a transmission line or carry out any relocation or extension of a transmission line until*

- (a) he has filed with the Alberta Government Telephones Commission plans showing the location of the wires, their height above the ground, their depth below the ground and such other information as the Alberta Government Telephones Commission may require, and*
- (b) the plans have been approved by the Alberta Government Telephones Commission.*

**18. Section 33 presently reads as follows:**

*33. (1) The Board, by order, may cancel or suspend an approval, permit or licence for failure of the holder to comply with any provision of this Act, the regulations, or the terms and conditions of the approval, permit or licence, or may make such other order as it deems suitable in the circumstances.*

*(2) Except where a condition exists that, in the opinion of the Board, is a danger to any person or to public or private property, the Board shall not*

- (a) cancel or suspend an approval, permit or licence under subsection (1) until it has given the holder 30 days' notice, or such longer notice as the Board deems suitable, to rectify his default, or*
- (b) require the doing of any act that will result in any significant expenses, loss or deprivation to the holder of an approval, permit or licence under this Act without due notice and full opportunity to be heard by the Board.*