

1980 BILL 24

Second Session, 19th Legislature, 29 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 24

THE GAS UTILITIES AMENDMENT ACT, 1980

THE ATTORNEY GENERAL

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

BILL 24

1980

THE GAS UTILITIES AMENDMENT ACT, 1980

(Assented to , 1980)

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

1 The Gas Utilities Act is amended by this Act.

2 The following is added after section 2:

2.1 An application to the Board under this Act includes a complaint in writing made to the Board.

3 Section 3 is repealed and the following is substituted:

3(1) The Board, upon its own initiative or upon the application of a person having an interest, may, or upon the order of the Lieutenant Governor in Council shall, declare

(a) that any thing that is a gas utility by virtue of section 2(f)(i), (ii) or (iii) is not a gas utility,

(b) that a person is not for the purposes of this Act an owner of a gas utility, or

(c) that a provision of this Act does not apply to

(i) a gas utility,

(ii) an owner of a gas utility, or

(iii) gas or gas services offered or provided by the gas utility.

(2) During the time that a declaration made under subsection (1)(c) remains in force, the provision in respect of which that declaration was made does not apply, as the case may be, to

(a) the gas utility,

Explanatory Notes

1 This Act will amend chapter 158 of the Revised Statutes of Alberta 1970.

2 Application to the Board includes a complaint made to the Board.

3 Section 3 presently reads:

3(1) The Board may, upon the application of any person having an interest and subject to such terms and conditions as it may require,

(a) declare any of the items referred to in section 2, clause (f), subclause (i), (ii) or (iii) not to be a gas utility, or

(b) declare that a provision of any section of this Act or The Public Utilities Board Act is not to apply in respect of any gas utility referred to in section 2, clause (f), subclause (i), (ii) or (iii) or to an owner of any such gas utility, and for so long as any such declaration remains unrevoked by the Board the provision therein mentioned has no application in respect of the gas utility so designated therein or to the owner of the gas utility as such.

(2) The Board, upon its own initiative or upon the application of a person having an interest, may, after notice and hearing, vary or rescind in whole or in part any order made by the Board pursuant to subsection (1).

(b) the owner of the gas utility, or

(c) gas or gas services offered or provided by the gas utility.

(3) An order of the Board made under subsection (1) shall be subject to those terms and conditions prescribed by the Board or imposed by an order of the Lieutenant Governor in Council.

(4) The Board,

(a) on its own initiative or on the application of a person having an interest, may, after giving notice and conducting a hearing, or

(b) on the order of the Lieutenant Governor in Council, shall

vary or rescind in whole or in part an order made by the Board under this section.

4 Section 4(1)(b) is repealed and the following is substituted:

(b) subject to subsection (2), to every owner of a gas utility;

5 Section 5.1 is amended

(a) in subsection (1) by striking out “or complaint”, and

(b) in subsection (2)(a) by striking out “or complaints”.

6 Section 15 is amended by striking out “complaint” wherever it occurs and by substituting “application”.

7 Section 19(2) is amended by striking out “complaint of any municipality” and substituting “application of a municipality alleging”.

4 Section 4(1) presently reads in part:

4(1) This Act applies:

(b) subject to subsection (2), to every person owning or operating a gas utility to which the jurisdiction of the Province extends;

5 Removes a reference to “complaint”.

6 Removes reference to “complaint” and replaces it with a reference to “application”.

7 Section 19(2) presently reads:

(2) Upon the complaint of any municipality that an owner of a gas utility doing business in the municipality has failed to extend his services to any part of the municipality, the Board, after hearing the parties and their witnesses, and making such inquiry into the matter as to it seems fit, may order the extension of the services and specify the conditions under which the same is to be done, including the cost of all necessary works, which it may apportion between the owner of the gas utility and the municipality in any manner it deems equitable.

8 Section 23(1) is amended by striking out “complaint in writing” and substituting “the application of a person having an interest”.

9 Section 24 is amended

(a) by repealing subsection (1)(f)(iii) and substituting the following:

(iii) any contract for consolidation, amalgamation or merger,

(b) by adding the following after subsection (1)(f):

(f.1) without the approval of the Board, capitalize any lease, or

(c) in subsection (2)(a) by adding “or was not required to be approved by the Board by reason of an existing declaration made under section 3” after “approved by the Board”, and

(d) in subsection (2)(b) by adding “or was not required to be approved or authorized by the Board by reason of an existing declaration made under section 3” after “approved or authorized by the Board”.

10 Section 27 is amended by striking out “complaint in writing” and substituting “the application of a person having an interest”.

11 Section 28 is amended

(a) by repealing subsection (1) and substituting the following:

28(1) In fixing just and reasonable rates, tolls or charges or schedules of them, to be imposed, observed and followed thereafter by an owner of a gas utility, the Board shall determine a rate base for the property of the owner of the gas utility used or required to be used to provide service to the public within Alberta and upon determining a rate base it shall fix a fair return on the rate base.

(b) in subsection (2)(a) by adding “of the gas utility” after “owner”.

8 Section 23(1) presently reads:

23(1) The Board may, upon its own initiative or upon complaint in writing, investigate any matter concerning a gas utility.

9 Section 24 presently reads in part:

24(1) No owner of a gas utility shall

(f) capitalize

(iii) any contract for consolidation, merger or lease,

(2) Notwithstanding subsection (1), the approval, authority, permission or consent of the Board is not required in or with respect to

(a) the issue of any shares of its capital stock by an owner of a gas utility under the exercise of any optional right of conversion, attaching to any shares, stocks, bonds, debentures, debenture stock or other evidence of indebtedness, the issue of which has previously been approved by the Board, or

(b) a right of entry, sale, disposition or other proceedings for the enforcement of a mortgage or charge created by trust deed or other instrument or security, in the enforcement of, or pursuant to, the security thereby constituted or in the exercise of the rights or remedies thereby granted or otherwise available at law, if such trust deed or other instrument or security was approved or authorized by the Board, or

10 Section 27 presently reads in part:

27 The Board, either upon its own initiative or upon complaint in writing, may by order in writing, which shall be made after giving notice to and hearing the parties interested,

11 Section 28 presently reads:

28(1) In fixing just and reasonable rates, tolls or charges, or schedules thereof, to be imposed, observed and followed thereafter by an owner of a gas utility, the Board shall determine a rate base for the property of the owner that is used or required to be used in his service to the public within Alberta and fix a fair return thereon.

(2) In determining a rate base under this section, the Board shall give due consideration

(a) to the cost of the property when first devoted to public use, to prudent acquisition cost to the owner, less depreciation, amortization or depletion in respect of each, and

(b) to necessary working capital.

(3) In fixing the fair return that an owner of a gas utility is entitled to earn on the rate base, the Board shall give due consideration to all such facts as in its opinion are relevant.

12 Section 29(2) is amended by striking out “complaint” wherever it occurs and substituting “application”.

13 Section 35(2) is amended by striking out “written complaint” and substituting “application”.

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

12 Removes reference to “complaint” and replaces it with a reference to “application”.

13 Removes reference to “written complaint” and replaces it with a reference to “application”.