

1983 BILL 115

First Session, 20th Legislature, 32 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 115

**NATURAL GAS PRICING AGREEMENT
AMENDMENT ACT, 1983**

THE MINISTER OF ENERGY AND NATURAL RESOURCES

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 115

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1983

NATURAL GAS PRICING AGREEMENT AMENDMENT ACT, 1983

(Assented to _____, 1983)

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

- 1 The Natural Gas Pricing Agreement Act is amended by this Act.*
- 2 Section 1(1) is amended by adding the following after clause (g):*
(g.1) “market development levy”, with respect to any month, means the amount determined by the Commission as the market development levy for the month under an order made pursuant to section 18;
- 3 Section 2(1) is amended by striking out “or” at the end of clause (d) and by adding the following after clause (d):*
(d.1) in the case of gas intended to be removed from Alberta, are attributable to any market development levies paid in respect of the gas, or

- 4 Section 3 is amended by adding “, market development levies” after “price adjustments”.*

Explanatory Notes

- 1 This Bill will amend chapter N-4 of the Revised Statutes of Alberta 1980.
- 2 Defines “market development levy”.

- 3 Section 2(1) presently reads:

2(1) For the purposes of this Act, the Alberta cost of service with respect to any gas or the movement of any gas shall be as determined by the Commission and may include costs and charges wherever incurred that

(a) are attributable to the acquisition of the gas by the original buyer, except the contract field price or regulated field price, whichever applies,

(b) are associated with the movement and metering of the gas in Alberta,

(c) are related to any processing required to cause the gas to become marketable gas or that are otherwise related to the supply of the gas,

(d) consist of interest or other costs or charges that, under a contract entered into prior to November 1, 1975, were recoverable by the original buyer from the price at which he sold the gas, or any portion of those costs or charges, or

(e) are prescribed by regulation.

- 4 Section 3 presently reads:

3 For the purposes of this Act and any regulation or order under this Act, prices for gas, price adjustments and the Alberta cost of service or any kind of Alberta cost of service with respect to gas or the movement of gas shall be expressed in or converted to cents per gigajoule based on gross or higher heating value, on the conditions as to the delivery of the gas that are specified in the gas sales contract for the gas, the contract relating to the movement of the gas or an order of the Commission under Part 2, as the case may be.

5 *The following is added after section 17:*

PART 3

MARKET DEVELOPMENT

18(1) The Commission may by order determine an amount for any month as the market development levy for the month.

(2) A market development levy shall be expressed in an order under this section as a number of cents per gigajoule of gas.

(3) An order under this section may be made effective as of the first day of the month preceding the month in which the order is made.

(4) The market development levy for any month shall not exceed the maximum amount per gigajoule prescribed by the regulations.

19 If during any month the Commission sells to a person pursuant to section 15(4) gas intended to be removed from Alberta, the purchaser from the Commission shall, on demand, pay to the Commission, in respect of each gigajoule of gas delivered to the purchaser in that month, an amount equal to the market development levy for that month.

20(1) There shall be a fund called the "Natural Gas Pricing Agreement Market Development Fund" (in this section referred to as the "Development Fund") which shall be held and administered by the Commission.

(2) The Commission shall keep a separate accounting record of the Development Fund.

(3) The Commission shall pay into the Development Fund the amounts collected by it pursuant to section 19.

(4) The Commission shall pay from the Development Fund the amounts it is authorized to pay pursuant to regulations under subsection (5).

(5) The Lieutenant Governor in Council may make regulations

(a) prescribing the maximum amount of a market development levy for the purposes of section 18(4);

(b) authorizing the Commission to make payments from the Development Fund to persons carrying on business as distributors of gas, wherever produced, to consumers within Canada but outside Alberta;

(c) governing any other matter incidental to the administration of the Development Fund.

(6) The Commission may, with the approval of the Lieutenant Governor in Council, enter into agreements with any person to whom payments may be made from the Development Fund on any terms and conditions that may be prescribed by the Lieutenant Governor in Council.

5 Provides for the establishment and operation of the Natural Gas Pricing Agreement Market Development Fund.

(7) The Commission shall

(a) after the end of each calendar year prepare a report summarizing the operation of the Development Fund for the preceding calendar year and a financial statement showing the revenues of and expenditures from the Development Fund during that preceding year, and

(b) submit the financial statement to the Auditor General for audit.

(8) When the report for a calendar year and the financial statement, as audited by the Auditor General, are prepared under subsection (7), the Commission shall submit them to the Minister, who shall lay a copy of them before the Legislative Assembly if it is then sitting and, if it is not then sitting, within 15 days after the commencement of the next sitting.

6 *This Act comes into force on Proclamation.*

