

1987 BILL 22

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Second Session, 21st Legislature, 36 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# BILL 22

**RURAL ELECTRIFICATION REVOLVING FUND  
AMENDMENT ACT, 1987**

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THE MINISTER OF TRANSPORTATION AND UTILITIES

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First Reading .....

Second Reading .....

Committee of the Whole .....

Third Reading .....

Royal Assent .....

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## BILL 22

1987

### RURAL ELECTRIFICATION REVOLVING FUND AMENDMENT ACT, 1987

(Assented to \_\_\_\_\_, 1987)

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

1 *The Rural Electrification Revolving Fund Act is amended by Act.*

2 *Section 30(2) is amended by striking out "be in addition to: not" and substituting "not be".*

3 *Section 31 is repealed and the following is substituted:*

**31** When, in the opinion of the Director, a loan if made to an association or a person would materially assist

(a) in providing electrification services by the association to the person, or

(b) in replacing or increasing the capacity of the works of the association,

the Director may recommend that a loan be made under this Part to that association or person, as the case may be.

**31.1(1)** If the Director recommends that a loan be made under this Part

(a) to an association or a person for the purpose of extending works, and the loan is to exceed \$15 000, or

(b) to an association for the purpose of replacing or increasing the capacity of its works, and the loan is to exceed the expenditure to be made,

the Lieutenant Governor in Council may, if he is satisfied that

(c) the loan would materially assist the association or person as the case may be, in carrying out that purpose, and

(d) the making of the loan is in the public interest,

he shall direct the Provincial Treasurer to advance the amount of the loan from the fund on the terms and conditions, if any, prescribed by regulation.

## Explanatory Notes

1 This Bill will amend chapter R-18 of the Revised Statutes of Alberta 1980.

2 Section 30(2) presently reads:

*(2) Loans authorized under this section shall be in addition to and not in substitution for loans under Part 1 or under the Rural Electrification Long Term Financing Act, as the case may be.*

3 Section 31 presently reads:

*31(1) When an application by an association or a person for a loan under Part 1 or under the Rural Electrification Long Term Financing Act has been approved, and, in the opinion of the Director, an additional loan would materially assist the extension of the electrification service that is to be provided by the association or to the person, the Director may recommend that a loan under this Part be made to the association or the person.*

*(2) If*

*(a) the Lieutenant Governor in Council, in the case of an additional loan in excess of \$15 000, or*

*(b) the Minister, in the case of an additional loan not in excess of \$15 000,*

*is satisfied that an additional loan is in the public interest and that the association or the person desires the additional loan, the Lieutenant Governor in Council may direct or the Minister may request, as the case may be, the Provincial Treasurer to advance the sum of the loan from the fund on the terms and conditions prescribed.*

(2) If the Director recommends that a loan be made under this Part

(a) to an association or a person for the purpose of extending works, and the loan is not to exceed \$15 000, or

(b) to an association for the purpose of replacing or increasing the capacity of its works, and the loan is not to exceed 30% of the expenditure to be made,

the Minister may, if he is satisfied that

(c) the loan would materially assist the association or person, as the case may be, in carrying out that purpose, and

(d) the making of the loan is in the public interest,

request the Provincial Treasurer to advance the amount of the loan from the fund on the terms and conditions, if any, prescribed by regulation.

*4 Section 32 is amended by striking out “an additional” and substituting “a”.*

*5 Section 32.1 is amended by striking out “an additional” and substituting “a”.*

*6 Section 33(b) is amended by striking out “additional”.*

**4** Section 32 presently reads:

*32 When an additional loan is made under this Part to an association, the loan creates a charge on the works of the association to the extent of the amount of the loan at any time outstanding, notwithstanding any other security that may be given to secure the loan.*

**5** Section 32.1 presently reads:

*32.1 If an additional loan is made to a person under this Part and the money advanced is not used to provide that person with electricity in accordance with the terms and conditions prescribed within 1 year of the date on which the money was advanced, or any longer period to which the Director consents, the money advanced becomes due and payable to the Crown in right of Alberta.*

**6** Section 33(b) presently reads:

*33 The Lieutenant Governor in Council may make regulations  
(b) setting out the terms and conditions applying to additional loans;*