

1988 BILL 41

Third Session, 21st Legislature, 37 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 41

**GAS RESOURCES PRESERVATION
AMENDMENT ACT, 1988**

THE MINISTER OF ENERGY

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

BILL 41

1988

GAS RESOURCES PRESERVATION AMENDMENT ACT, 1988

(Assented to _____, 1988)

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

1 *The Gas Resources Preservation Act is amended by this Act.*

2 *Section 11 is amended*

(a) *in subsection (2) by striking out "hold" and substituting "commence the holding of";*

(b) *by repealing subsection (3) and substituting the following:*

(3) After the conclusion of an inquiry under subsection (2) or the abandonment of the inquiry by the permittee who requested it, or after the expiration of the 30-day period following the effective date of the suspension order under subsection (1) without an inquiry having been requested, the Board may

(a) reinstate the permit subject to any conditions the Board directs,

(b) order the continued suspension of the permit for a specified period or until the Board reinstates the permit,

(c) amend the permit to do any or all of the following:

(i) reduce the maximum annual quantities of gas or propane that may be removed from Alberta under the permit;

(ii) reduce the period for which the permit is operative;

(iii) change any other term or condition in the permit or add any new term or condition to the permit,

or

(d) cancel the permit.

(4) The amendment or cancellation of a permit pursuant to subsection (3) is subject to the approval of

(a) the Minister, if the permit, as it stood immediately before the approval, authorized the removal of not more

Explanatory Notes

1 This Bill will amend chapter G-3.1 of the Statutes of Alberta, 1984.

2 Section 11 presently reads:

11(1) If it appears to the Board that there has been or is a contravention of

(a) any term or condition of a permit,

(b) any term or condition of an approval of the Lieutenant Governor in Council or the Minister given under this Act, or

(c) this Act or the regulations,

the Board may by order suspend the permit.

(2) If a permit is suspended pursuant to subsection (1), the permittee may request an inquiry and, if he does so, the Board shall hold an inquiry within 5 clear days, exclusive of holidays, after the date of receipt of the request.

(3) After an inquiry pursuant to subsection (2), the Board may

(a) reinstate the permit subject to any conditions the Board may direct,

(b) order the continued suspension of the permit until the Board makes an order to the contrary, or

(c) with the approval of the Lieutenant Governor in Council, cancel the permit.

than 3 billion cubic metres of gas or 160 000 cubic metres of propane during the term of the permit and had a term not exceeding 2 years, or

(b) the Lieutenant Governor in Council, in any other case.

3(1) Section 13 is amended

(a) in subsection (1) by striking out “and” at the end of clause (a.1) and adding the following after clause (a.1):

(a.2) make regulations respecting the confidentiality of records, returns and other information furnished under this Act and the communication of and access to those records and returns and that information, and

(b) by adding the following after subsection (2):

(3) If a provision of a regulation made under subsection (1) is in conflict with or is inconsistent with a term or condition in an approval given by the Lieutenant Governor in Council or the Minister under this Act, the provision of the regulation prevails.

(2) The following are validated:

(a) Permit Conditions Regulation (Alta. Reg. 271/87);

(b) Permit Conditions Amendment Regulation (Alta. Reg. 380/87).

4 The following is added after section 13.1:

13.2(1) Except as provided in the regulations, a person who is or was engaged in the administration of this Act shall not

(a) communicate or allow to be communicated to any person any record, return or other information furnished under this Act unless that person is legally entitled to that record, return or other information, or

(b) allow any person to have access to any record, return or other information furnished under this Act unless that person is legally entitled to have access to it.

(2) This section does not apply in relation to any record, return or other information furnished to the Board, or adduced in evidence at a hearing before the Board, in connection with any application to the Board under this Act.

(3) A person who knowingly receives any record, return or other information communicated to him under subsection (1) holds the record, return or other information subject to the same restrictions under subsection (1) that apply to the person from whom the record, return or other information was received.

(4) Notwithstanding any other Act or law, no person who is or was employed or engaged in the administration of this Act shall be required, other than in proceedings relating to the administration or enforcement of this Act, to give evidence relating to any record, return or other information furnished under this Act or to produce anything containing that record, return or other information.

3 Section 13 presently reads:

13(1) The Lieutenant Governor in Council may

(a) by regulation vest in the Board any authority and powers considered necessary or advisable for the purpose of enabling the Board to conduct and perform its duties,

(a.1) make regulations respecting the terms or conditions to which permits or any class of permits are subject, and

(b) make any regulations considered necessary or advisable for carrying out the provisions of this Act and facilitating the efficient administration thereof.

(1.1) A regulation made under this section may be made applicable to permits granted before or after the regulation comes into force.

(2) An approval of the Lieutenant Governor in Council or the Minister under this Act may be made subject to any terms or conditions that the Lieutenant Governor in Council or the Minister respectively prescribes.

4 Confidentiality of information provided to the Government.

5 *Sections 14(2), 15, 16 and 17 are repealed.*

6 *Sections 19 to 21 are repealed and the following is substituted:*

19(1) No person shall

(a) remove from Alberta, by pipeline or other means, any gas or propane produced in Alberta and owned by him, except under the authority of a permit not under suspension;

(b) knowingly remove from Alberta, by pipeline or other means, any gas or propane produced in Alberta and not owned by him, except under the authority of a permit not under suspension;

(c) as the owner, or the agent of the owner, of any gas or propane produced in Alberta, enter into or continue any arrangement under which the gas or propane is removed from Alberta, by pipeline or other means, otherwise than under the authority of a permit not under suspension.

(2) No person shall contravene

(a) a term or condition of a permit,

(b) a term or condition of an approval of the Lieutenant Governor in Council or the Minister given under this Act,

(c) an order or direction of the Board made under this Act,

5 Sections 14(2), 15, 16 and 17 presently read:

(2) An order of the Board need not refer on its face to any proceeding or notice or to any circumstances necessary to give the Board jurisdiction to make the order.

15 The Board and every member of it, for the purpose of any hearing, inquiry or investigation pursuant to this Act, have, for the purpose of taking evidence on oath or affirmation and compelling the attendance of witnesses and the production of documents, all the powers of commissioners appointed pursuant to the Public Inquiries Act.

16 No person attending an investigation or inquiry by or a hearing before the Board shall be excused from testifying or from producing a book, document or paper, if ordered to do so by the Board, on the ground that the testimony or evidence, book, document or paper required of him may tend to incriminate him or subject him to penalty or forfeiture, and

(a) no person shall be prosecuted, punished or subjected to any penalty or forfeiture for or on account of any act, transaction, matter or thing concerning which he has, under oath, given testimony or produced documentary evidence, but

(b) no person so testifying is exempt from prosecution or punishment for perjury committed by him in his testimony.

17(1) If a person refuses or fails to comply with a notice to attend issued by the Board, a judge of the Court of Queen's Bench, on the application of the Board, may issue a warrant requiring the attendance of the witness before the Board.

(2) If a witness refuses to give evidence or to answer as to any matter regarding which he is questioned before the Board, a judge of the Court of Queen's Bench, on the application of the Board, may commit the witness for contempt of the Board, and has the same power of committal in respect of that contempt as he has in respect of contempts of the Court of Queen's Bench.

6 Sections 19 to 21 presently read:

19 A person who removes gas or propane produced in Alberta to a place elsewhere than in Alberta is guilty of an offence unless a subsisting permit has been granted authorizing the removal of the gas or propane from Alberta.

20(1) A permittee who, in conducting an operation pursuant to his permit, contravenes this Act, the regulations or a term or condition of his permit is guilty of an offence.

(2) A person who contravenes this Act or the regulations is guilty of an offence.

(3) A person who contravenes a term or condition of an order of the Lieutenant Governor in Council or the Minister granting any approval under this Act is guilty of an offence.

21 A person who is guilty of an offence under this Act is liable

(a) to a fine of not less than \$100 nor more than \$2000 in respect of each offence, and

(b) in the case of a continuing offence to a fine of not less than \$100 nor more than \$2000 for the first day on which the offence occurs, and of not less than \$50 nor more than \$1000 for each subsequent day during which the offence continues.

- (d) an order of the Minister made under section 21.1, or
- (e) the regulations.

20(1) A person who contravenes this Act is guilty of an offence.

(2) A person who is guilty of an offence under this Act is liable to a fine of not more than

(a) \$100 000, or

(b) where the contravention occurs and continues for more than 1 day, \$100 000 for the first day on which the contravention occurs and \$25 000 for each day thereafter on which the contravention continues.

(3) Where a corporation is guilty of an offence under this Act, an officer, director or agent of the corporation who directed, authorized, assented to, acquiesced in or participated in the commission of the offence is a party to and guilty of the offence and is liable to the fines provided for the offence.

(4) A prosecution for an offence under this Act may be commenced within 18 months from the date on which the subject-matter of the prosecution arose, and not afterwards.

21 If a person is contravening or has contravened section 19, the Court of Queen's Bench may, on application by the Minister or the Board by originating notice on not less than 2 days' notice, make an order restraining that person from contravening that section or continuing to contravene that section, whether or not a conviction has been adjudged in respect of the contravention.

21.1(1) In this section,

(a) "operator" means the holder of a licence for a pipeline under the *Pipeline Act*;

(b) "provincial pipeline" means a pipeline or pipeline system for the transmission of gas that is operated under the authority of a licence under the *Pipeline Act* and that delivers gas into an extra-provincial pipeline.

(2) If a person is contravening a provision of section 19 other than section 19(2)(d), the Minister may make an order directing an operator to cease transporting gas in his provincial pipeline for the account of or on behalf of that person, commencing on the first day of the month following the date on which the order is served on the operator and continuing until the Minister notifies the operator in writing that the order is rescinded.

(3) The Minister shall serve on the person concerned a copy of the order made under subsection (2), and of any subsequent notice given to the operator under that subsection, as soon as possible after it is made or given.

(4) An order under subsection (2) does not operate

(a) to frustrate or otherwise render ineffective any agreement between

(i) the person concerned and the operator to whom the order is given, or

(ii) the person concerned and any other person if the agreement relates to the transportation of gas by pipeline within Alberta,

or

(b) to relieve the person concerned from any liability

(i) to the operator to whom the order is given, or

(ii) to a party under an agreement referred to in clause (a)(ii),

for the payment of any amount that would in any event have been payable in the absence of the order.

7 Sections 3(1)(a) and 4 come into force on Proclamation.

7 Coming into force.