

1988 BILL 54

Third Session, 21st Legislature, 37 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 54

SMALL POWER RESEARCH AND DEVELOPMENT ACT

THE MINISTER OF TRANSPORTATION
AND UTILITIES

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

BILL 54

1988

SMALL POWER RESEARCH AND DEVELOPMENT ACT

(Assented to , 1988)

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

Definitions

1 In this Act,

- (a) "eligible power production facility" means a power generator or generators that constitute a single power production facility that
 - (i) produces electric energy from wind, hydro or biomass,
 - (ii) has a nameplate capacity of
 - (A) not more than 2.5 MW, or
 - (B) more than 2.5 MW and is a pilot project within the meaning of the regulations, and
 - (iii) meets the other eligibility requirements established in or pursuant to the regulations;
- (b) "maximum program capacity" means the maximum program capacity established in or pursuant to the regulations;
- (c) "Minister" means the member of the Executive Council charged by the Lieutenant Governor in Council with the administration of this Act;
- (d) "public utility" means a public utility designated in the regulations as a public utility to which this Act applies;
- (e) "small power producer" means the owner of an eligible power production facility;

(f) "small power production contract" means a contract between a public utility and a small power producer whereby the public utility agrees to purchase electric energy produced by the small power producer's eligible power production facility.

Allocation
of capacity

2(1) The Minister may, in accordance with this Act and the regulations, allocate to an eligible power production facility capacity from the maximum program capacity.

(2) The Minister may not make a final allocation under subsection (1) unless he is satisfied that

(a) the small power producer who owns the eligible power production facility

(i) has entered into a small power production contract with the public utility in whose service area the eligible power production facility is located, and

(ii) has complied or will comply with the requirements of all applicable enactments relative to the construction, operation and connection of the eligible power production facility,

and

(b) all other preconditions and requirements established in or pursuant to the regulations have been satisfied.

(3) The Minister may not make final allocations under subsection (1) in respect of more than 9 pilot projects.

(4) The Minister may not make a final allocation under subsection (1) after

(a) the date on which the aggregate nameplate capacities of eligible power production facilities to which allocations have previously been made under subsection (1) exceed the maximum program capacity, or

(b) a date established in or pursuant to the regulations,

whichever occurs first.

Small power
production
contract

3(1) A small power production contract shall

(a) be stated to be for a term of years established in or pursuant to the regulations,

(b) provide that the public utility shall pay to the small power producer in respect of power delivered under the contract the amount of 5.2¢ per kilowatt hour for the term of the contract,

(c) provide that the small power producer shall bear all costs up to and including the point of the connection with the public utility's facilities, which costs shall include the cost of any transmission facilities that may be required in order to effect the connection, the cost of metering the delivered power and the cost of any modifications of the public utility's facilities that may be required in order to utilize the delivered power, and

(d) be in a form that is satisfactory to the Public Utilities Board.

(2) If a small power producer and the appropriate public utility cannot agree on the terms of a small power production contract, either party may refer the matter to the Public Utilities Board, and the Board shall determine the matters in question.

(3) A public utility shall forthwith file with the Public Utilities Board a copy of every small power production contract it enters into.

Energy Resources
Conservation
Board

4(1) Where the Energy Resources Conservation Board is considering an application under section 7, 8, 9 or 17 of the *Hydro and Electric Energy Act* in respect of an eligible power production facility for which an application for an allocation of capacity under this Act has been made to the Minister, the Board shall not have regard to whether the facility is an economic source of electric energy in Alberta or to whether there is a need for such a facility in meeting the requirements for electric energy in Alberta.

(2) The Energy Resources Conservation Board may not make an order under section 17(5) of the *Hydro and Electric Energy Act* that is inconsistent with section 3(1)(c) of this Act as it relates to who is liable for the payment of the costs referred to in section 3(1)(c).

Application of
other enactments

5 Except where specifically provided to the contrary, nothing in this Act or the regulations relieves any person from compliance with any other enactment.

Duty to
co-operate

6 Where, in accordance with the regulations, a small power producer takes steps to enter into a small power production contract with the appropriate public utility, the public utility and the small power producer

(a) shall co-operate with each other and with the Minister and the Public Utilities Board in the process leading up to the signing of the contract, and

(b) shall sign the contract when its terms have been agreed on or otherwise finalized.

Regulations

7 The Lieutenant Governor in Council may make regulations

(a) designating the public utilities to which this Act applies;

(b) prescribing for the purposes of this Act the maximum program capacity, or the manner in which it is determined, which shall not exceed 125 MW;

(c) prescribing the date, or the manner in which it is determined, for the purposes of section 2(4)(b);

(d) authorizing the Minister to allocate, and governing the manner in which he may allocate, capacity under section 2 to eligible power production facilities, including, without limitation, the manner in which he may allocate capacity among the different kinds of facilities and among facilities with different nameplate capacities;

(e) prescribing the date, or the manner in which it is determined, by which an eligible power production facility that is the subject of a small power production contract must be operational;

(f) establishing the procedure leading up to final allocation of capacity by the Minister to an eligible power production facility;

(g) respecting additional eligibility requirements for eligible power production facilities and the owners of them for the purposes of this Act;

(h) prescribing the term of a small power production contract, or the manner in which it is determined, for the purposes of section 3(1)(a);

(i) respecting the installation of equipment related to the connection between the eligible power production facility and the public utility's facilities, and respecting the records to be kept and the reports to be made relative to that equipment, including the persons required to keep and make them, at whose direction they are to be kept and made and the persons with whom reports so made are to be filed, for the purposes of this Act;

(j) defining terms for the purposes of this Act and the regulations.

Amends
RSA 1980 cH-13

8 *The Hydro and Electric Energy Act is amended in section 9(2) by striking out "or" at the end of clause (a) and by adding the following after clause (a):*

(a.1) a power plant that is an eligible power production facility for which an application for an allocation of capacity under the *Small Power Research and Development Act* has been made to the Minister charged with the administration of that Act, or

Amends
RSA 1980 cP-37

9 *The Public Utilities Board Act is amended in section 83(1)(a.1) by adding "and the Small Power Research and Development Act" after "Electric Energy Marketing Act".*

Coming
into force

10 *This Act comes into force on Proclamation.*