

1994 BILL 29

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Second Session, 23rd Legislature, 43 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **BILL 29**

**NOVA CORPORATION OF ALBERTA ACT  
REPEAL ACT**

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MR. HLADY

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First Reading .....

Second Reading .....

Committee of the Whole .....

Third Reading .....

Royal Assent .....

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Bill 29  
Mr. Hlady

## BILL 29

1994

### NOVA CORPORATION OF ALBERTA ACT REPEAL ACT

(Assented to , 1994)

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

**Explanatory Notes**

## PART 1

### REPEAL

Repeals RSA  
1980 cN-12

1 *The Nova Corporation of Alberta Act is repealed.*

## PART 2

### TRANSITIONAL

#### Definitions

2(1) *In this Part,*

- (a) *"commingle", with reference to gas, means the mixing together or blending of gases received by Nova from various points on its system for transmission through its pipelines and other facilities;*
  - (b) *"exchange", with reference to gas, means the exchange of gas received by Nova into its gas pipeline system for delivery to a point in Nova's system to which physical transmission of that gas is not practical, for other gas in Nova's system which can practically be delivered to that point;*
  - (c) *"gas"*
    - (i) *means all natural gas both before and after it has been subjected to any treatment or process by absorption, purification, scrubbing or otherwise, and*
    - (ii) *includes all fluid hydrocarbons other than hydrocarbons that can be recovered from a pool in liquid form by ordinary production methods;*
  - (d) *"gas utility" means a gas utility as defined in the Gas Utilities Act;*
  - (e) *"Nova" means NOVA Corporation of Alberta, a corporation continued under the Business Corporations Act.*
- (2) *For the purposes of subsection (1)(e),*
- (a) *if the name of Nova is changed to another name, the definition of "Nova" is deemed to refer to that other name, or*
  - (b) *if another person buys, leases, makes an exchange for or operates all or substantially all of the gas utility owned by*

**1** Repeals chapter N-12 of the Revised Statutes of Alberta 1980.

**2** Definitions that replace section 1(e), (g), (j) and (m) of RSA 1980 cN-12.

*Nova, the definition of "Nova" is deemed to refer to that other person.*

**Rights of Nova**     *3 In the operation of its business Nova has the right to commingle gas or to exchange gas in its pipelines or other facilities or any part or parts thereof irrespective of the ownership of the gases commingled or exchanged.*

**Gas Utilities Act**     *4(1) Except as follows, the Gas Utilities Act does not apply to Nova or to Nova's operations:*

*(a) the Gas Utilities Act applies with respect to gas that is purchased or owned by Nova;*

*(b) section 25.1, other than subsection (2)(a), and section 26 of the Gas Utilities Act apply to Nova as a gas utility in the same manner as if Nova was designated under section 25.1(1) of the Gas Utilities Act as an owner of a gas utility to which sections 25.1 and 26 of the Gas Utilities Act apply;*

*(c) Part 2.1 of the Gas Utilities Act applies to Nova.*

*(2) Notwithstanding subsection (1)(c), section 26.2 of the Gas Utilities Act does not apply to Nova or Nova's operations while this Part is in force.*

**Fixing rates**     *5(1) Nova shall from time to time fix and may from time to time vary the rates, tolls and other charges, including the rates and methods of depreciation and amortization, determination of rate base and rate of return thereon,*

*(a) for the gathering, treating, transporting, storing, distributing, commingling, exchanging, handling and delivery of gas carried by its pipelines and other facilities or any part or parts thereof, or*

*(b) for any service performed by Nova in relation to the gathering, treating, transporting, storing, distributing, commingling, exchanging, handling or delivery of any gas.*

*(2) On complaint in writing of an interested party, the Public Utilities Board may, or on the direction of the Lieutenant Governor in Council shall, after notice to and hearing of the parties interested, determine the justness and reasonableness of the rates, tolls or other charges fixed or varied by Nova and by order in writing may vary or confirm the rates, tolls or other charges.*

**3** Replaces section 19 of RSA 1980 cN-12.

**4** Replaces section 22 of RSA 1980 cN-12.

**5** Replaces section 37 of RSA 1980 cN-12.

*(3) When the Public Utilities Board varies a rate, toll or other charge fixed or varied by Nova, its order shall specify that the variation shall remain in full force and effect until a specified date or until the date of the happening of a specified event but in no case shall the period involved exceed 12 months.*

*(4) Part 1 of the Public Utilities Board Act applies with respect to matters within the jurisdiction of the Public Utilities Board under this section in so far as it does not conflict with this section.*

Inspection of  
rates, etc.

*6 Rates, tolls or other charges of Nova shall be filed in the head office of Nova and shall be available for inspection during normal business hours.*

Conditions of  
services

*7(1) Nova shall from time to time define or prescribe terms and conditions of service applicable to its pipelines and other facilities or any part or parts thereof.*

*(2) Before accepting gas into its pipelines or other facilities Nova may require the gas to be processed or otherwise treated to a standard or quality specification determined by Nova.*

*(3) If gas owned by a person is commingled with or exchanged for gas owned by another person within a pipeline or other facility of Nova, Nova when delivering the commingled or exchanged gas is authorized to make whatever compensating adjustments in volume, heating value and component content that in its opinion are warranted.*

*(4) On the implementation of an exchange of gas, Nova shall mail by prepaid registered mail to the owners of the gas that is subject to the exchange, a notice of the exchange, including particulars of it and shall file on the date of the mailing a copy of the notice with the Energy Resources Conservation Board.*

*(5) On application for service or for any variation in service through or by any pipeline or other facility of Nova, Nova may vary or adjust to the extent it considers necessary any existing contract or arrangement with any person in respect of that pipeline or facility.*

Appeal

*8(1) On complaint in writing of an interested party respecting a decision made by Nova under section 7, the Energy Resources Conservation Board under the Energy Resources Conservation Act may, after notice to and hearing of the parties interested, determine the reasonableness of the decision made by Nova and by order in writing may vary or confirm the decision.*



**6** Replaces section 38 of RSA 1980 cN-12.

**7** Replaces section 39 of RSA 1980 cN-12.

**8** Replaces section 40 of RSA 1980 cN-12.

*(2) In the event of conflict between any term or condition of an order made under section 5 or this section with any provision of an existing contract or arrangement, the term or condition of the order prevails.*

Regulations      9    *For the purpose of carrying out this Part according to its true intent or for the purpose of supplying any deficiency in this Part, the Lieutenant Governor in Council may make regulations not inconsistent with the spirit of this Part.*

### **PART 3**

#### **GAS UTILITIES ACT**

Amends RSA      10    *The Gas Utilities Act is amended by this Part.*  
1980 cG-4

Enacts Part      11    *The following is added after Part 2:*  
2.1

### **PART 2.1**

#### **NOVA CORPORATION OF ALBERTA**

Definitions      26.1(1) In this Part,

- (a) “articles” means the articles, as defined in the *Business Corporations Act*, of Nova;
- (b) “by-laws” means the by-laws of Nova;
- (c) “gas export company” means any person that holds a permit under the *Gas Resources Preservation Act* for the removal of gas from Alberta;
- (d) “Nova” means NOVA Corporation of Alberta, a corporation continued under the *Business Corporations Act*.

(2) For the purposes of subsection (1)(d),

- (a) if the name of Nova is changed to another name, the definition of “Nova” is deemed to refer to that other name, or
- (b) if another person buys, leases, makes an exchange for or operates all or substantially all of the gas utility owned by Nova, the definition of “Nova” is deemed to refer to that other person.

**9** Replaces section 43(1) of RSA 1980 cN-12.

**10** Amends chapter G-4 of the Revised Statutes of Alberta 1980.

**11** Enacts Part 2.1 of RSA 1980 cG-4.

Application of  
Act

**26.2(1)** This Act applies to Nova.

**(2)** Sections 25.1 and 26 apply to Nova in the same manner as if Nova was designated under section 25.1(1) as an owner of a gas utility to which sections 25.1 and 26 apply.

Part prevails

**26.3** If there is any conflict between this Part and

(a) the *Business Corporations Act* as it relates to Nova,

(b) the articles of Nova, or

(c) the by-laws of Nova,

this Act prevails.

Extra-  
provincial  
operations

**26.4** Nova shall not accept or exercise any powers that could otherwise be conferred on it by or under the laws in force in any jurisdiction outside Alberta that would authorize the purchase, acquisition, construction, operation or control by Nova of any works or undertakings situated outside Alberta that are a part of any pipeline facilities involving transportation of hydrocarbons produced in Alberta from Alberta to any other province except as may be permitted by regulations.

Contracts

**26.5(1)** Nova shall not enter into any agreement or other contract with a gas export company whereby the gas export company gains or might gain any control over the affairs, functions, operations, management or business of Nova or over any of Nova's pipelines or other facilities.

**(2)** Any agreement or contract that Nova enters into in contravention of subsection (1) is void.

Continuation  
in another  
jurisdiction

**26.6** Nova may not be continued in another jurisdiction pursuant to section 182 of the *Business Corporations Act*.

## **PART 4**

### **CONSEQUENTIAL AND COMMENCEMENT PROVISIONS**

Consequential  
amendment

**12** *The Gas Utilities Statutes Amendment Act, 1990 is amended in section 1(3) by renumbering section 26.1 as section 26.01.*

**12** Amends chapter 21 of the Statutes of Alberta, 1990.

Coming into  
force

*13(1) This Act comes into force on Proclamation.*

*(2) Part 2 is repealed on Proclamation.*

**13** Coming into force.