

1996 BILL 8

Fourth Session, 23rd Legislature, 45 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 8

**ALBERTA ENERGY AND UTILITIES BOARD
STATUTES AMENDMENT ACT, 1996**

THE MINISTER OF ENERGY

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

BILL 8

1996

ALBERTA ENERGY AND UTILITIES BOARD STATUTES AMENDMENT ACT, 1996

(Assented to _____, 1996)

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

Alberta Energy and Utilities Board Act

Amends SA
1994 cA-19.5

*1(1) The Alberta Energy and Utilities Board Act is amended by
this section.*

(2) The following is added after section 3:

Personnel

3.1(1) The Board may

- (a) employ persons as the Board considers necessary for the transaction of its business,
- (b) prescribe the duties, conditions of employment and remuneration of persons employed by it, and
- (c) appoint from time to time persons having special technical or other knowledge of any matter before the Board to inquire into and report to the Board in respect of the matter in question, any of which persons may or may not be employees of the Board.

(2) The *Public Service Act* does not apply to the Board or to the Board's employees or persons providing services to the Board.

Board's funds
and
expenditures

3.2(1) All expenditures incurred by the Board shall be charged against money provided in accordance with this section.

(2) In each fiscal year, funds equivalent to the estimated net expenditures to be incurred in the year by the Board, if not

Explanatory Notes

Alberta Energy and Utilities Board Act

1(1) Amends chapter A-19.5 of the Statutes of Alberta, 1994.

(2) Section 3.1 provides for staff. Section 3.2 deals with the Board's funds and expenditures. Section 3.3 provides for funding. Section 3.4 allows the Board to borrow funds. Section 3.5 permits the Government to advance funds to the Board or to guarantee borrowing of funds by the Board.

provided pursuant to the *Oil and Gas Conservation Act*, the *Public Utilities Board Act* or this Act, shall be provided from money voted by the Legislature for that purpose.

(3) The Provincial Treasurer shall advance to the Board the funds provided by vote and referred to in subsection (2) as soon after April 1 as convenient and in an amount that the Provincial Treasurer in consultation with the Board decides.

Funding

3.3(1) In this section,

- (a) “administration fee” means an amount imposed as an administration fee under this section;
- (b) “facility” means any scheme or operation that is under the jurisdiction of the Board or is subject to any enactment that is administered by the Board;
- (c) “operator” means, in relation to any facility,
 - (i) the person who is the actual operator of the facility, or
 - (ii) the person who holds an approval, licence or permit issued by the Board or to whom or in respect of whom an order is granted by the Board;
- (d) “prescribed date” means, in relation to any year, the date or dates prescribed by the regulations under subsection (3) as the prescribed date or dates for that year for the purposes of this section.

(2) The Board may in respect of any fiscal year impose and collect an administration fee with respect to any facility on a basis that will produce a sum sufficient to defray a portion or all of the estimated net expenditures of the Board in that fiscal year.

(3) The Board may make regulations

- (a) prescribing the rates of the administration fees applicable to facilities or any classes of facilities;
- (b) prescribing a date or dates in the calendar year during which a regulation is made under clause (a) as the prescribed date or dates for that year for the purposes of this section;
- (c) providing for the imposition and payment of administration fees;

- (d) prescribing, in any manner the Board considers appropriate, classes of facilities;
- (e) respecting the exemption of any facility or any class of facility from the imposition of an administration fee;
- (f) providing for the imposition and payment of penalties for the late payment of administration fees;
- (g) providing for appeals with respect to the determination or imposition of administration fees and penalties.

(4) An administration fee prescribed in a fiscal year with respect to a facility is payable to the Board by the person who was the operator of the facility on the prescribed date or dates.

Power to borrow

3.4 The Board may borrow from time to time any sums that are required for the defrayal of the current expenditures of the Board on the security of the administration fees for the time being uncollected.

Guarantee and advances

3.5 The Lieutenant Governor in Council may authorize and empower the Provincial Treasurer to do either or both of the following:

- (a) to guarantee on behalf of the Government the due payment of any money borrowed pursuant to section 3.4, together with the interest on the money borrowed, on any terms and conditions that may be prescribed by the Lieutenant Governor in Council;
- (b) to advance to the Board from time to time out of the General Revenue Fund any sums that are considered advisable, on any security, at a rate of interest and on terms and conditions that may be prescribed by the Lieutenant Governor in Council.

(3) *On the coming into force of this subsection,*

- (a) *a person who was employed by the Energy Resources Conservation Board immediately before the coming into force of this subsection ceases to be employed by the Energy Resources Conservation Board and becomes employed by the Alberta Energy and Utilities Board, and*

(3) Transitional.

(b) a person who was employed by the Crown in right of Alberta and under the administration of the Public Utilities Board immediately before the coming into force of this subsection ceases to be employed by the Crown in right of Alberta and becomes employed by the Alberta Energy and Utilities Board.

(4) Where

(a) a person, immediately before the coming into force of this subsection, was employed by the Crown in right of Alberta and was under the administration of the Minister of Energy, and

(b) the Minister of Energy designates that person as a person who is to come under the administration of the Alberta Energy and Utilities Board,

that person, on the day that the designation comes into effect, ceases to be employed by the Crown in right of Alberta and becomes employed by the Alberta Energy and Utilities Board.

Energy Resources Conservation Act

Amends RSA
1980 cE-11

2(1) The Energy Resources Conservation Act is amended by this section.

(2) Sections 19 and 20 are repealed.

(4) Transitional.

Energy Resources Conservation Act

2(1) Amends chapter E-11 of the Revised Statutes of Alberta 1980.

(2) Sections 19 and 20 presently read:

19(1) All salaries, expenses and expenditures incurred by the Board in the performance of its duties

(a) if incurred by the Board in performance of its duties pursuant to the Oil and Gas Conservation Act, the Gas Resources Preservation Act, the Turner Valley Unit Operations Act, the Oil Sands Conservation Act and the Pipeline Act, shall be charged against money provided in accordance with the Oil and Gas Conservation Act, or

(b) if incurred otherwise, shall be charged against money provided in accordance with subsections (2) and (3).

(2) In each fiscal year, funds equivalent to the estimated net expenditures to be incurred in the year by the Board, otherwise than in performance of its duties under the Oil and Gas Conservation Act, the Gas Resources Preservation Act, the Turner Valley Unit Operations Act, the Oil Sands Conservation Act and the Pipeline Act, shall be provided from money voted by the Legislature for that purpose, and if the vote is insufficient, from the General Revenue Fund.

Oil and Gas Conservation Act

Amends RSA
1980 cO-5

3(1) The Oil and Gas Conservation Act is amended by this section.

(2) Section 46(a) is amended by adding “or the regulations” after “under this Part”.

(3) Section 47 is amended by adding the following after clause (c):

(c.1) respecting the imposition and payment of an administration fee with respect to any facilities that are under the Board’s jurisdiction;

(4) Section 48 is amended

(a) in subsection (1) by adding the following after clause (a):

(a.1) prescribing the rates of the administration fees applicable to facilities that are under the Board’s jurisdiction;

(b) in subsection (2) by striking out “to defray 50% of the estimated net expenditures in that fiscal year” and substituting “to assist in defraying in respect of that fiscal year the estimated overall net expenditures as determined pursuant to the Alberta Energy and Utilities Board Act”.

(3) The Provincial Treasurer shall advance to the Board the funds provided by vote and referred to in subsection (2) in instalments as soon as conveniently may be after the first days of April and July, each instalment to be in an amount that the Provincial Treasurer in consultation with the Board decides.

(4) The Board shall decide what part of its total expenditure is reasonably attributable to the performance of the duties referred to in subsection (1)(a), and its decision is conclusive.

20 In preparing its estimate of net expenditures to be incurred otherwise than in performance of its duties pursuant to the Oil and Gas Conservation Act, the Gas Resources Preservation Act, the Turner Valley Unit Operations Act, the Oil Sands Conservation Act and the Pipeline Act, for a fiscal year, the Board shall have regard to its estimate of any deficit or surplus existing at the end of each fiscal year from funds for such expenditures received from the Government in previous years.

Oil and Gas Conservation Act

3(1) Amends chapter O-5 of the Revised Statutes of Alberta 1980.

(2) Section 46(a) presently reads:

46 In this Part,

(a) "administration fee" means an amount imposed as an administration fee under this Part;

(3) Section 47(c) presently reads:

47 The Board may, for the purposes of this Part, make regulations

(c) respecting the imposition and payment of an administration fee and of penalties for the late payment of the fees;

(4) Section 48 presently reads:

48(1) After the commencement of each fiscal year of the Board, the Board shall in respect of that fiscal year make regulations

(a) prescribing

(i) the rates of the administration fee applicable to wells in each class of wells, and

(ii) the rates of the administration fee applicable to oil sands projects in each class of oil sands projects,

as those classes are prescribed by the regulations under section 47(a);

Public Utilities Board Act

Amends RSA
1980 cP-37

4(1) The Public Utilities Board Act is amended by this section.

(2) Section 20 is repealed.

(3) Section 20.1(2) is amended by striking out “For the purposes of section 20(3) in respect of a year, the Board by order may” and substituting “The Board may, in respect of a year, by order”.

Transitional and Commencement

Transitional

5 At any time after the coming into force of this Act, the Alberta Energy and Utilities Board may make any administration fee provided for under the Alberta Energy and Utilities Board Act, the Oil and Gas Conservation Act or the Public Utilities Board Act or a regulation made under any of those Acts applicable to the entire 1996-97 fiscal year notwithstanding that this Act may not be in force at the commencement of the 1996-97 fiscal year.

Coming into
force

6 This Act comes into force on Proclamation.

(b) prescribing a date in the calendar year during which the regulation is made as the prescribed date for that year for the purposes of this Part.

(2) The regulations made by the Board under subsection (1) in respect of any fiscal year shall prescribe the administration fee on a basis that will produce a sum sufficient to defray 50% of the estimated net expenditures in that fiscal year.

Public Utilities Board Act

4(1) Amends chapter P-37 of the Revised Statutes of Alberta 1980.

(2) Section 20 presently reads:

20(1) All expenditures incurred by the Board shall be charged against money provided in accordance with this section.

(2) Not less than 1/3 of the estimated expenditures of the Board shall be provided from money voted by the Legislature for the purposes of the Board.

(3) The part of the estimated expenditures of the Board that is not provided from money voted by the Legislature shall be provided from the assessments and costs imposed by the Board under sections 20.1 and 60.

(3) Section 20.1(2) presently reads:

(2) For the purposes of section 20(3) in respect of a year, the Board by order may impose the payment of an assessment on a person over whom the Board has jurisdiction under this or any other Act whether or not during that year the Board exercises its jurisdiction or the person appears before the Board in any proceeding.

Transitional and Commencement

5 Transitional.

6 Coming into force.