

1996 BILL 18

Fourth Session, 23rd Legislature, 45 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 18

ENERGY STATUTES AMENDMENT ACT, 1996

MR. MAGNUS

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 18
Mr. Magnus

BILL 18

1996

ENERGY 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:

Gas Resources Preservation Act

Amends SA
1984 cG-3.1

1(1) The Gas Resources Preservation Act is amended by this section.

(2) Section 5(e) is repealed.

(3) Section 9 is amended

(a) by renumbering it as section 9(2) and adding the following before subsection (2):

9(1) In this section, “core consumer” means a core consumer as defined in the regulations.

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

(3) If the Board is of the opinion that an emergency described in subsection (2) poses a threat to life or property of core consumers in Alberta, the Board may require the

Explanatory Notes

Gas Resources Preservation Act

1(1) Amends chapter G-3.1 of the Statutes of Alberta, 1984.

(2) Section 5(e) presently reads:

5 Without limiting the generality of section 4, the terms and conditions prescribed by the Board may include all or any of the following:

(e) a condition that the permittee will supply gas or propane at a reasonable price to any community or consumer in Alberta that is willing to take delivery of gas or propane at a point on the pipeline transmitting the gas or propane, or at a processing plant producing the propane and that, in the opinion of the Board, can reasonably be supplied by the permittee;

(3) Section 9 presently reads:

9 Notwithstanding any permit or any enactment, if, in the opinion of the Board, an emergency jeopardizes an adequate supply of gas or propane to consumers in Alberta, the Board may, with the approval of the Lieutenant Governor in Council, as long as the emergency, in the Board's opinion, continues, and for the purpose of meeting the emergency, require the diversion of any gas or propane intended for use outside Alberta to any other uses the Board directs.

diversion of gas under subsection (2) without the approval of the Lieutenant Governor in Council.

(4) If the Board requires the diversion of gas pursuant to this section and the person whose gas was diverted cannot agree on the price to be paid for the gas with the person to whom the gas was diverted, the Board may, on the application of either person, fix the price to be paid for the gas.

(4) *Section 13(1) is amended by adding the following after clause (a):*

(a.01) by regulation define “core consumer” for the purposes of section 9,

(5) *Subsections (3) and (4) come into force on Proclamation.*

Oil and Gas Conservation Act

Amends RSA
1980 cO-5

2(1) *The Oil and Gas Conservation Act is amended by this section.*

(2) *Section 37 is amended by adding the following after subsection (3):*

(4) On application the Board, in order to give effect to a declaration under subsection (1), may direct

(a) the point at which the common carrier shall take delivery of any production to be gathered, transported, handled or delivered by means of the pipeline, or

(b) the proportion of production to be taken by the common carrier from each producer or owner offering production to be gathered, transported, handled or delivered by means of the pipeline.

- (4) Section 13(1) 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,*
- (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) make any regulations considered necessary or advisable for carrying out the provisions of this Act and facilitating the efficient administration thereof.*

- (5) Coming into force.

Oil and Gas Conservation Act

- 2(1)** Amends chapter O-5 of the Revised Statutes of Alberta 1980.

- (2) Section 37 presently reads:

37(1) On application the Board, with the approval of the Lieutenant Governor in Council, may from time to time declare each proprietor of a pipeline in any designated part of Alberta or the proprietor of any designated pipeline to be a common carrier as and from a date fixed by the order for that purpose, and on the making of the approved declaration the proprietor is a common carrier of oil, gas or synthetic crude oil or any 2 or all of them in accordance with the declaration.

(2) No proprietor of a pipeline who is a common carrier shall directly or indirectly make or cause to be made or suffer or allow to be made any discrimination of any kind as between any of the persons for whom any oil, gas or synthetic crude oil is gathered, transported, handled or delivered by means of the pipeline.

(3) *Section 40(4) is repealed and the following is substituted:*

(4) On application the Board, in order to give effect to a declaration under subsection (1), may direct

- (a) the point at which the common purchaser shall take delivery of any gas offered for sale to it, or
- (b) the proportion of the common purchaser's acquisitions of gas from the pool that it shall purchase from each producer or owner offering gas for sale.

(4) *Section 42 is amended by adding the following after subsection (4):*

(5) On application the Board, in order to give effect to a declaration under subsection (1), may direct

- (a) the proportion of production to be processed by the common processor from each producer or owner in the pool or pools, or
- (b) the total amount of gas to be processed by the common processor from the pool or pools subject to the common processor declaration.

Petroleum Marketing Act

Amends RSA
1980 cP-5

3(1) *The Petroleum Marketing Act is amended by this section.*

(2) *Section 18(2)(a) and (b) are repealed and the following is substituted:*

- (a) respecting information to be furnished to the Commission, the persons required to furnish that information, the form in which that information must be furnished and the time within which the information must be furnished;
- (b) respecting the imposition of pecuniary penalties payable to the Commission, the circumstances in which the penalties

(3) No common carrier shall discriminate in favour of his own oil, gas or synthetic crude oil or oil, gas or synthetic crude oil in which he is directly or indirectly interested in whole or in part.

(3) Section 40(4) presently reads:

(4) On the application of a common purchaser of gas or of a person who offers gas for sale to a common purchaser of gas and who claims the common purchaser has discriminated against him contrary to this section in purchasing gas, the Board, to assist in giving effect to a declaration under subsection (1), may direct

(a) the point at which the common purchaser shall take delivery of any gas offered for sale to him, or

(b) the proportion of the common purchaser's acquisitions of gas from the pool which he shall purchase from each producer or owner offering gas for sale to him.

(4) Section 42 presently reads:

42(1) On application the Board, with the approval of the Lieutenant Governor in Council, may declare any person who is the owner or operator of a processing plant processing gas produced from a pool or pools in Alberta to be a common processor of gas from the pool or pools.

(2) Subsection (1) does not apply to a person declared to be a common purchaser under section 40 or when an operator has entered into a contract approved under section 12 of the Gas Utilities Act.

(3) Each common processor shall process gas which may be made available for processing in his plant without discrimination in favour of one producer or owner of gas as against another in the pool or pools.

(4) No common processor shall discriminate in favour of his own gas or gas in which he is directly or indirectly interested either in whole or in part.

Petroleum Marketing Act

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

(2) Section 18(2) presently reads:

(2) The Lieutenant Governor in Council may make regulations

(a) respecting the reports and other information required to be supplied to the Commission by lessees and others for the purposes of this Part;

(b) respecting the imposition of pecuniary penalties payable to the Commission for the late filing of any report or

may be imposed, the persons liable to pay the penalties and the time by which the penalties must be paid;

other information required to be supplied to the Commission by the regulations;

- (c) respecting the respective rights, powers, liabilities and obligations of the Commission, lessees and others in the event that the quantity of crude oil delivered to the Commission under this Part in a month is less than or greater than the Crown's royalty share of the crude oil actually payable in respect of that month.*