

BILL

No. 102 of 1939.

An Act to Provide for the Regulation of Pipe Lines for
Petroleum and Petroleum Products.

(Assented to _____, 1939.)

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

1. This Act may be cited as "*The Pipe Line Regulation Act.*"

2. In this Act, unless the context otherwise requires,—

- (a) "Board" means the Board of Public Utility Commissioners within the meaning of *The Public Utilities Act, 1923*;
- (b) "Gas" includes natural gas;
- (c) "Petroleum" in addition to its ordinary meaning, includes petroleum products and natural gas;
- (d) "Pipe line" means any pipe or any system or arrangement of pipes whereby petroleum is conveyed from any place at which it is produced to any other place, or from any place where it is processed to any other place, and includes all property of any kind used for the purpose of or in connection with or incidentally to the operation of a pipe line in the gathering, transporting and handling including delivery of petroleum and also means and includes tanks, reservoirs, pumps, racks and storage and loading facilities incidental to delivery.;
- (e) "Proprietor" means every person who is the owner or operator or has the management or control of any pipe line or any part thereof.

3.—(1) Every proprietor of every pipe line situate in that part of the Province lying to the south of the southern boundary of township 25 and to the west of the western boundary of range 28 west of the fourth meridian whether the same was constructed before the day upon which this Act comes into force or afterwards is hereby declared to be a common carrier in respect of all petroleum gathered or transported or handled or delivered by means thereof.

(2) The Lieutenant Governor in Council may from time to time by order declare the proprietor of all the pipe lines in any designated part of the Province or the proprietor of any designated pipe line to be a common carrier as and

from a date fixed by the order for that purpose and thereupon any such proprietor shall be and shall be deemed to be a common carrier in respect of all petroleum gathered or transported or handled or delivered by means of any such pipe line.

4. No proprietor of a pipe line 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 petroleum is gathered or transported or handled or delivered by means of such pipe line.

5.—(1) The Board is hereby empowered from time to time after making such enquiry as the Board deems sufficient to prescribe the amount to be charged for the gathering, transporting, distributing, handling and delivery of petroleum or any specified kind thereof by means of any pipe line which is or is declared to be a public utility or for any service performed by the proprietor of such pipe line in relation to the gathering, transporting, distribution, handling or delivery of any such petroleum.

(2) In any case where the Lieutenant Governor in Council has caused an enquiry to be held under *The Public Inquiries Act* and the subject matter of that enquiry has included an enquiry into the operation of any pipe line or any matter pertaining thereto, and the commissioner or commissioners appointed to make such enquiry by any report made at any time whether in the course of such enquiry or at the close thereof recommend that any rate or rates be fixed for the gathering, transporting, distribution, handling or delivery of petroleum or any specified kind or kinds thereof by means of any pipe line or for any service performed by the proprietor of any such pipe line in relation to the gathering, transporting, distributing, handling or delivery of any such petroleum, then and in every such case upon any such rate or rates being approved by order of the Lieutenant Governor in Council the Board is authorized and directed to make an order without any enquiry fixing the rates for the gathering, transporting, distribution, handling or delivery of petroleum or any specified kind thereof by means of the pipe line to which the report relates at the rate or rates recommended by such report.

6.—(1) Every pipe line the proprietor of which is by this Act or by any Order in Council made pursuant to this Act declared to be a common carrier shall be a public utility within the meaning of *The Public Utilities Act, 1923*, and the Board shall have all the powers to make orders and regulations as to such pipe line which are conferred upon the Board by Part II of the said Act, and all the provisions of that Act shall *mutatis mutandis* and so far as the same are applicable thereto apply to every such pipe line and to every order and regulation made by the Board in respect of a pipe line and the enforcement thereof.

(2) Without derogating from the generality of the foregoing the Board shall have power to regulate and control the said pipe line and the operation thereof and anything incidental thereto and the proprietor thereof in connection with the operation of the said pipe line and anything incidental thereto.

7.—(1) The Board may from time to time by order, declare that any company named in such order which owns, controls or operates any pipe line, shall be a common purchaser of petroleum or gas as the case may be, and either by the same order or by a subsequent order may require that such company shall purchase all the petroleum or gas in the vicinity of or which may be reasonably reached by its pipe line or gathering branches, without discrimination in favour of one producer or one company as against another, and/or that such company shall purchase and transport petroleum or gas from each company and producer rateably in proportion to the average daily production, and/or that such company shall not discriminate in price or amount for like grades of petroleum or gas or in facilities as between producers or companies; and in case the company is also a producer may require that such company shall not discriminate in favour of its own production or storage, or any production or storage in which it may be interested directly or indirectly, in whole or in part, and that the production and storage of such company shall be treated in the same way as the production and storage of any other company.

(2) The Board may from time to time by order, declare that any company named in such order shall be a common carrier, and thereupon the company so declared to be a common carrier shall not allow or be guilty of any unjust or unlawful discrimination directly or indirectly in favour of the carriage, transportation or delivery of any crude, stock or storage oil, or any product thereof or of any gas in its possession or control or in which it may be interested directly or indirectly.

8. The Board is hereby authorized and empowered to make any order for the regulation of a pipe line which is or is declared to be a public utility which it is empowered to make under this Act or under *The Public Utilities Act, 1923*, in respect of a public utility within the meaning of that Act and to enforce any order so made either under this Act or as if the same were an order made pursuant to *The Public Utilities Act, 1923*.

9.—(1) The Lieutenant Governor in Council may from time to time by order declare that any and all tanks, reservoirs or other assets used for or in connection with the storage of petroleum and maintained or operated independently of the delivery of petroleum by any pipe line, shall be a public utility within the meaning of *The Public Utilities Act*,

1923, and the Board shall have all the powers to make orders and regulations as to such tanks, reservoirs or other such assets, which are conferred upon the Board by Part II of the said Act, and all the provisions of that Act, shall *mutatis mutandis* and so far as the same are applicable thereto apply to such tanks, reservoirs and other such assets and to every order and regulation made by the Board in respect of such tanks, reservoirs and other such assets and the enforcement thereof.

(2) The Board is hereby authorized and empowered to make any order for the regulation of the said tanks, reservoirs or other such assets which is declared to be a public utility, which it is empowered to make under this Act or under *The Public Utilities Act, 1923*, in respect of a public utility within the meaning of that Act and to enforce any order so made either under this Act or as if the same were an order made pursuant to *The Public Utilities Act, 1923*.

10.—(1) Every order made pursuant to this Act whether by the Lieutenant Governor in Council or by the Board shall be laid upon the table of the Legislative Assembly within fourteen days after the commencement of the Session held next after the making of such order.

(2) All such orders shall take effect upon the making thereof or upon such later date as may be fixed thereby for that purpose and when made shall unless and until the same are disallowed by the Legislative Assembly at the Session thereof held next after the making of the same have the same force and effect as if the same had been enacted as a part of this Act.

11. Every proprietor of a pipe line which is or is declared to be a public utility who contravenes any of the provisions of this Act or of any order made pursuant to this Act shall be guilty of an offence and shall be liable on summary conviction therefor to a penalty of one thousand dollars and costs and in the case of a continuing offence to a penalty of five hundred dollars for each day during which the offence continues together with costs.

12. Except in so far as any provisions thereof are inconsistent with the provisions of this Act, *The Pipeline Act*, being chapter 62 of the Statutes of Alberta, 1925, shall remain in full force and effect.

13. This Act shall come into force on the day upon which it is assented to.

EIGHTH SESSION
EIGHTH LEGISLATURE
3 GEORGE VI
1939

BILL

An Act to Provide for the Regulation
of Pipe Lines for Petroleum and
Petroleum Products.

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. MANNING.

EDMONTON:
A. Shnitka, King's Printer