

Bill No. 80 of 1944.

A BILL TO ESTABLISH THE ALBERTA POWER COM-  
MISSION AND PRESCRIBE ITS POWERS AND  
DUTIES.

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NOTE.

This Bill establishes the Alberta Power Commission and prescribes its powers and duties.

Power is defined by the Act as including hydraulic, electrical, steam, gas or other power.

The Commission will consist of not more than three members to be appointed by the Lieutenant Governor in Council.

The Bill is largely an Act empowering the Lieutenant Governor in Council to authorize the Commission to manufacture and distribute power, to develop waterpower, to purchase properties for the manufacture or distribution of power as well as to expropriate lands used or suitable for use for the generation or distribution of power. In the event of expropriation, provision is made for payment of compensation.

By a separate section the Commission is given power to enter upon, take possession of and manage without expropriation existing plants for manufacturing or distributing power.

Provision is made in the Bill for the setting up of rural power districts and for the making of contracts with rural municipalities for the distribution of power in rural power districts.

Power is also given to the Commission to contract with any municipality to supply power.

The Bill provides that all property acquired by the Commission shall belong to the Crown in the right of the Province and that the net profits be paid, under the direction of the Lieutenant Governor in Council, into the General Revenue Fund of the Province.

W. S. GRAY,  
*Acting Legislative Counsel.*

*(This note does not form any part of the Bill but is offered in explanation of its provisions.)*

# BILL

No. 80 of 1944

An Act to establish a Power Commission for the Province of Alberta and to prescribe its powers and duties.

(Assented to \_\_\_\_\_, 1944)

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

## SHORT TITLE.

1. This Act may be cited as "*The Power Commission Act.*"

## INTERPRETATION.

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

- (a) "Commission" means The Alberta Power Commission;
- (b) "Minister" means the Minister of Trade and Industry;
- (c) "Municipality" means any city, town, village or municipal district;
- (d) "Power" includes hydraulic, electrical, steam, gas or other power and also includes energy;
- (e) "Rural Municipality" means and includes any village, municipal district and improvement district.

## ORGANIZATION OF COMMISSION

3. There shall be a commission to be styled "The Alberta Power Commission" which shall be a body corporate and shall consist of not more than three members appointed by the Lieutenant Governor in Council.

- 4.—(1) The Lieutenant Governor in Council shall,—
  - (a) designate one of the members of the Commission to be chairman;
  - (b) specify what number of members shall constitute a quorum.
- (2) Every member of the Commission shall receive such remuneration as may be approved by the Lieutenant Governor in Council.
- (3) Any vacancy which occurs in the Commission shall be filled by the Lieutenant Governor in

Council but such a vacancy shall not impair the right of the remaining member or members to act until such vacancy is filled.

5. The Commission, with the consent of the Lieutenant Governor in Council, may appoint such officers and employees as may be deemed requisite and shall determine their salaries and other remuneration.

6. No action shall be brought,—

- (a) Against the Commission without the permission of the Lieutenant Governor in Council first had and obtained;
- (b) against any member of the Commission in respect of anything done or omitted by him in the exercise of his office.

7. Whenever required so to do by the Lieutenant Governor in Council the Commission shall inquire into, examine and investigate,—

- (a) water powers and water privileges in Alberta, their value and capacity;
  - (b) the existing facilities for the manufacture and distribution of power in Alberta;
  - (c) such other matters relating to power and its distribution in Alberta as the Lieutenant Governor in Council from time to time may require;
- and shall report thereon to the Lieutenant Governor in Council.

8. For the purposes of carrying out the duties imposed upon the Commission by this Act the Commission and any nominee of the Commission shall each of them have all the powers authorized to be conferred upon a commissioner appointed under *The Public Inquiries Act*, being chapter 139, of the Revised Statutes of Alberta, 1942.

9.—(1) The Lieutenant Governor in Council may authorize the Commission,—

- (a) to manufacture, distribute, sell and supply power;
- (b) (i) to develop and use any water power for the purposes of this Act;
- (ii) to apply to the appropriate authority or authorities for the right to divert or use water from, or to construct or cause to be constructed any dam or other works for the impounding of water in any river, stream, watercourse, lake, creek, spring, ravine, canyon, lagoon, swamp, marsh or other body of water, or for the grant of any other necessary rights and to make agreements for such purposes;

- (iii) to acquire by purchase, lease or otherwise or without the consent of the owner or of any person interested therein to expropriate and use the right to divert or use water already granted to such owner or other person interested;
- (c) to acquire by purchase the whole or any part of the property, assets and undertaking of any person, firm, or corporation manufacturing or distributing power in Alberta, including shares held or owned by such corporation in any other corporation or corporations with the same or similar objects, and to acquire the whole or any part of the properties, assets and undertakings of such other corporation or corporations and to maintain and operate any property or properties so acquired;
- (d) to acquire by purchase, lease or otherwise, and construct, maintain and operate works for the production of power by any means whatsoever;
- (e) to acquire by purchase, lease or otherwise, or without the consent of the owner or of any person interested therein, to enter upon, take possession of, expropriate and use, lands used, or suitable for use, as a site for works for generating power, or used or required as a site for power stations or sub-stations, and all buildings, erections, machinery, plant and other works and appliances upon such lands;
- (f) to acquire by purchase, lease or otherwise, and without the consent of the owner thereof or of any person interested therein, to enter upon, take possession of, expropriate and use, maintain and operate all erections, machinery, plant and other works and appliances for the transmission, supply and distribution of power; and to conduct, store, transmit and supply power for the purposes of this Act, and with lines of wires, poles, conduits, pipes, motors or other conductors or devices, receive, conduct, convey, transmit, distribute, supply or furnish such power to or from any person at any place through, over, under, along, upon or across any land, public highway, street, lane or public place, stream, water, watercourse, bridge, viaduct, or railway; and through, over or under the land of any municipality or person;
- (g) to construct, maintain and operate all erections, machinery, plant and other works and appliances for the transmission, supply and distribution of power; and to conduct, store, transmit and supply power for the purposes of this Act, and with lines of wires, poles, conduits, pipes, motors or other conductors or devices, receive, conduct, convey, transmit, distribute, supply or furnish such power to or from any person at any place, through, over, under, along, upon or across any land, public

highway, street, lane, or public place, stream, water, watercourse, bridge, viaduct, or railway; and through, over or under the land of any municipality or person;

- (h) to contract with any person or municipality manufacturing, generating, transmitting or distributing power, or proposing so to do, to supply power to the Commission;
  - (i) to contract with any person or municipality to supply power to such person or municipality;
  - (j) to require any person or municipality generating, transmitting or distributing power to furnish to the Commission or as directed by the Commission so much thereof as may be deemed necessary by the Commission;
  - (k) to acquire by purchase or to expropriate any works and the land occupied or used in connection therewith or any part thereof, used or intended for the distribution of power in a municipality which has entered into an agreement with the Commission for the supply of power, and to contract for the sale and transfer to such municipality of such works and land upon such terms and for such price (not being less than the price paid by the Commission, with the expenses in connection with such purchase or expropriation added thereto) as may be agreed upon; and in the event of such municipality refusing to purchase such works so acquired, or in the event of failure to reach an agreement, to maintain and operate such works;
  - (l) to contract with any railway, power or transmission company, irrigation district or other corporation or person for the use of its or his right-of-way or property for the erection of works and other constructions for manufacturing, generating or transmitting power;
  - (m) to expropriate, purchase, lease or otherwise acquire lands which the Commission may deem necessary for office, services, or other buildings and to erect thereon such buildings and works;
  - (n) to lease, sell or otherwise dispose of, upon such terms as it deems proper, any property, real or personal, which the Commission may deem unnecessary for its purposes;
  - (o) to lease or operate the works for the generation, transmission, distribution or use of power of any person, including any municipality or irrigation district, on such terms as the Commission may arrange with the owner;
  - (p) to do any other thing incidental to or for the better carrying out of the foregoing provisions;
- (2) The powers mentioned in this section shall include the right to take, acquire or retain possession for such time

as the Commission may deem proper, and under agreement with the owner or person interested, or without his consent, of such lands or of such estate, right, title, privilege, easement, or interest in, over, upon, or in respect of or relating to any land as to the Commission may seem desirable or expedient.

(3) Whenever the Commission acts under the authority to expropriate conferred by this section, compensation shall be made to the owners or persons interested, for the lands, works and other assets taken and for all damage necessarily resulting from the exercise of the powers granted to the Commission by this section, and in fixing such compensation regard shall in all cases be had to the value of the lands, works and other assets taken or to the nature and extent of the estate, right, privilege, easement or interest which the Commission decides to take and acquire in, over, upon or in respect of the lands, works or other assets and the compensation shall be based thereon.

**10.**—(1) Notwithstanding the provisions of section 9 and in addition to such provisions the Lieutenant Governor in Council may authorize the Commission, forcibly or otherwise, to enter upon, seize, and take possession of,—

- (a) the whole or any part of the property, assets and undertaking of any person, firm or corporation manufacturing or distributing power in Alberta;
- (b) the whole or any part of any lands, used or suitable for use as a site for works for generating power or used or required as a site for power stations or sub-stations and all buildings, erections, machinery, plant and other works and appliances upon such lands;
- (c) the whole or any part of any buildings, erections, machinery, plant and other works and appliances for the transmission, supply and distribution of power;

together with the books and offices of the person, firm or corporation owning or operating the undertaking and to assume and take over the management of the undertaking for and in the interests of the shareholders and the public and all or any of the powers, duties, rights and functions of the directors and officers of such person, firm or corporation in all respects, including the employment and dismissal of officers and servants thereof for such time as the commission continues to direct such management.

(2) Upon the Commission taking possession of any property under the provisions of this section,—

- (a) it shall be the duty of every officer and employee of the person, firm, or corporation referred to in subsection (1) to obey the orders of the Commission or of such person or persons as the Commission places in authority in the management of any or all departments of the undertaking;

(b) the Commission may determine, receive and pay out all moneys due to or owing by the person, firm or corporation in subsection (1) referred to and give cheques, acquittances and receipts for moneys to the same extent and as fully as the proper officers thereof could do if no such possession had taken place.

(3) The costs and expenses incidental to taking possession of and assuming the management of an undertaking by the Commission under this section shall be in the discretion of the Commission and the Commission may direct by whom and to what extent they shall be paid.

**11.** Wherever the Commission exercises the powers to expropriate conferred by this Act,—

- (a) the Commission shall deposit in the Land Titles Office for the Land Registration District within which such property is situate a description or descriptions thereof either by metes and bounds or by reference to existing registered plans or both or by reference to a new plan or plans of survey prepared by a land surveyor duly licensed for the Province of Alberta, and which said descriptions or plans or both shall be signed by the chairman of the Commission and shall be entitled in the matter of this Act and upon such deposit having been made the real property or properties therein described shall thereupon become and remain vested in the Commission, subject to payment of the compensation to be paid as hereinafter provided;
- (b) the Commission shall deposit or cause to be deposited in the office of the Clerk of the Supreme Court for the Judicial District within which such personal property is situate a detailed inventory or inventories thereof signed by the chairman of the Commission and such personal property by such deposit shall thereupon become and remain vested in the Commission, subject to payment of the compensation to be paid as hereinafter provided;
- (c) upon the filing in the Land Titles Office of the description or plans or both of any land taken pursuant to the provisions of this Act and upon the deposit in the office of the Supreme Court of the inventory or inventories before referred to, the Commission shall cause to be served by registered mail upon the owner of such property so taken and appropriated and in the case of real property upon all persons shown by the records of the Land Titles Office to be interested in the land so taken, a notice setting forth the compensation which the Commission is prepared to pay for the lands and personal property so taken;
- (d) if any person entitled to compensation for lands or personal property taken as aforesaid is dissatis-

fied with the amount offered therefor he shall within thirty days from the date of the mailing of the notice provided for in paragraph (c), notify the Commission in writing of his dissatisfaction and shall in such notice state the amount that he claims as compensation for the real or personal property taken, together with a full statement of the facts in support of his claim and in the event of no claim for increased compensation being received by the Commission within the period, the person entitled to compensation shall be deemed to be satisfied with and shall be bound to accept the amount of compensation mentioned in the notice referred to in paragraph (c) ;

- (e) the Commission shall consider every claim for increased compensation and shall notify the claimant of its decision in respect thereto by registered letter addressed to the claimant's last known address;
- (f) the claimant if dissatisfied with the decision of the Commission may within thirty days after being notified as aforesaid of the decision give notice in writing to the Commission which may be by registered letter that he will submit the claim to arbitration and the claim shall thereupon be submitted to arbitration and the arbitration shall be by two arbitrators, one to be appointed by the claimant and one by the Commission and the arbitration shall be governed in all respects by the provisions of The Arbitration Act.

**12.** On acquiring the plant, machinery, appliances and equipment used or intended for the distribution of power in a municipality the Commission may with the approval of the Lieutenant Governor in Council cancel any special franchise or any right or permission granted to any person, firm or corporation, to construct, maintain or operate within the municipality in, under, above on or through any highway, road, street, lane, public square or public water within the municipality, poles, wires, conduits, erections, structures or other things for the purpose of transmitting or conveying power.

**13.** The Commission may own, construct and operate the distribution system within the boundaries of a municipality with which it has entered into a contract for the supply of power and may bill all persons served and collect all accounts owing for power supplied or service rendered to such persons, but any city or town entering into a contract with the Commission for the supply of power may, with the approval of the Commission, own, construct and operate its own distribution system and collect its own accounts for power supplied or services rendered.



**14.**—(1) The Commission may, out of any funds in its hands, purchase such electrical, hydraulic or other machinery, appliances, apparatus and furnishings as may be used in the transmission, distribution, supply or use of power, and may dispose thereof to municipal corporations and commissions, and to other persons, firms and corporations.

(2) The Lieutenant Governor in Council, upon the request of the Commission specifying,—

- (a) the nature and volume of the business to be carried on; and
- (b) the extent of the liability which may be incurred in connection therewith;

may authorize the Commission within the Province of Alberta to manufacture such electrical, hydraulic or other machinery, appliances, apparatus and furnishings as may be used in the development, transmission, distribution, supply or use of power, and to acquire patents of invention, or interest therein, and to sell and dispose of such machinery, appliances, furnishings or patent rights and the profits and losses arising from such operation shall be adjusted and apportioned among the municipalities having contracts with the Commission, or be otherwise applied as the Commission shall see fit.

**15.**—(1) Subject to the approval of the Lieutenant Governor in Council, the Commission may contract with a rural municipality or with two or more rural municipalities, for the supply and distribution by the Commission of power in the rural municipality or municipalities; and the Commission may lay out and define areas, hereinafter called “rural power districts”, in the rural municipality or municipalities for the distribution of power; and the Commission may, on its own behalf or on behalf of the rural municipality or municipalities,—

- (a) acquire, construct, extend, reconstruct, hold, maintain, operate and administer all works necessary for the transmission to, and the transforming and distributing in any such rural power district of power;
- (b) supply power to customers of the respective rural municipalities in any such rural power district;
- (c) perform, enjoy and enforce all contracts in which the rural municipality or either or any of the rural municipalities agrees to supply or sell power to any such customer or at any premises within such rural power district;

and the Commission may, at any time, enlarge or alter the boundaries of any rural power district.

(2) Whenever a rural municipality at the time of entering into a contract with the Commission has been operating a distribution system for distributing power to its inhabitants, or has a contract with the Commission for a supply

of power under any other part of this Act, the Commission with the approval of the council of the rural municipality may take over, acquire, reconstruct, extend and operate such distribution system, and may perform, enjoy and enforce the contracts with the customers thereof, and may incorporate such system in a rural power district.

**16.** In the case of an improvement district any contract authorized by this Act may be made with the Minister of Municipal Affairs who is hereby authorized to enter into such contract.

**17.** The Commission may take such steps as it may deem advisable to increase the demand for power in cities, towns and villages in which consumers are supplied with power directly by the Commission.

**18.** No corporation shall extend its service of power to any person or into an area or district not being served with power by the said corporation until permission in writing has been obtained from the Board of Public Utility Commissioners for such extension.

**19.** Notwithstanding the provisions of *The Treasury Department Act*,—

- (a) the income of the Commission shall be applied by the Commission to defray its operating expenses, to provide for the preservation, improvement, supervision, renewal, repair, maintenance and insurance of its works, and the salaries and other remuneration and expenses of its members, officers and employees, and for such other purposes as may be authorized or required by this Act;
- (b) all funds, including borrowings, income and revenue, which shall come into the hands of the Commission, whether as agent, trustee, owner or otherwise, shall form one fund, out of which the Commission shall from time to time make any and all expenditures necessary for its purpose. The Commission shall account therefor in its annual report under section 25;
- (c) the salaries and all expenses incurred by the Commission shall be chargeable to and payable out of such moneys as may be appropriated for that purpose by the Legislature or out of revenues of the Commission;
- (d) all property, whether real or personal, acquired by the Commission, shall belong to the Crown in the right of the Province.

**20.**—(1) The Commission may retain and set apart out of the moneys coming into its hands from time to time such sums as may, in the opinion of the Commission, be sufficient,—

- (a) to provide for the renewal, reconstruction, alteration and repair of the works constructed and operated by the Commission;
  - (b) to meet interest upon working capital and for the operations of the Commission under this Act, and to meet obligations, charges, salaries and expenses arising from time to time in the course of such operations;
  - (c) to meet any unforeseen expenditures or costs caused by the destruction or injury of any of the works of the Commission or otherwise incurred or payable by the Commission.
- (2) Any surplus remaining in the hands of the Commission after providing for the payments provided for in the preceding subsection, shall be appropriated to such purposes as the Lieutenant Governor in Council, may from time to time, direct, and generally to maintain such reserve, depreciation and surplus accounts as should be maintained by a properly managed public utility.
- (3) The net profits, remaining from time to time shall, when directed by the Lieutenant Governor in Council be paid into the General Revenue Fund of the Province and be appropriated to the public service of the Province.

**21.**—(1) With the approval of the Lieutenant Governor in Council and subject to such terms and conditions as the Lieutenant Governor in Council may prescribe the Commission may from time to time borrow or raise by way of loan any sum of money for the purposes of the Commission.

(2) When authorized so to do by the Lieutenant Governor in Council the Provincial Treasurer may guarantee at any time the repayment of advances made to the Commission or any other indebtedness incurred by the Commission.

**22.** The Commission with the approval of the Lieutenant Governor in Council may fix and establish rates to be charged for power supplied by the Commission to any person or municipality.

**23.** The Commission with the approval of the Lieutenant Governor in Council may make such rules and regulations as may be deemed expedient for the purpose of fully carrying out the true intent, purpose and object of this Act and of any contract made under it, and to impose a penalty for the violation of any such rule or regulation of not less than ten dollars nor more than five hundred dollars for every day during which the violation continues, such penalties to be recoverable on summary conviction, and when recovered to be paid over to the Commission.

**24.** The accounts of the Commission shall, from time to time and at least once every year, be audited by the Pro-

vincial Auditor or by some other auditor or auditors appointed by the Lieutenant Governor in Council.

**25.**—(1) The Commission shall annually after the end of its fiscal year make a report to the Minister showing the revenues and expenditures during its last fiscal year, together with a full and complete statement of the reserve funds of the Commission and an audited balance sheet of its financial transactions during the period, together with such other information as the Lieutenant Governor in Council requires.

(2) The Minister shall lay a copy of the report of the Commission before the Legislative Assembly during the next ensuing session thereof.

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

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**FOURTH SESSION  
NINTH LEGISLATURE**

**8 GEORGE VI**

**1944**

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**BILL**

An Act to establish a Power Commission for the Province of Alberta and to prescribe its powers and duties.

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Received and read the

First time .....

Second time .....

Third time .....

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HON. MR. MANNING.

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EDMONTON:  
A Shnitka, King's Printer  
1944