

UNEDITED

The Public Utilities Companies Act

being

Chapter 129 of *The Revised Statutes of Saskatchewan, 1953*
(effective February 1, 1954).

FOR HISTORICAL REFERENCE ONLY

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER 129

An Act respecting Public Utilities Companies

SHORT TITLE

Short title

1 This Act may be cited as *The Public Utilities Companies Act*.

R.S.S. 1953, c.129, s.1.

INTERPRETATION

Interpretation

2 In this Act:

“company”

1 “**company**” includes a person;

“gas”

2 “**gas**” includes natural gas;

“minister”

3 “**minister**” means the Minister of Mineral Resources;

“petroleum”

4 “**petroleum**” means crude oil and its manufactured products, but does not include natural gas;

“prescribed”

5 “**prescribed**” means prescribed by the minister.

R.S.S. 1940, c.118, s.2; 1946, c.25, s.1; R.S.S.
1953, c.129, s.2.

PART I

Provisions of General Application

APPLICATION OF PART

Application of Part

3(1) This Part applies to every company incorporated, registered or licensed under any Act of Saskatchewan or carrying on business in Saskatchewan for all or any of the following purposes, namely, the manufacture, transportation and supply of gas or electricity or the supply of water or natural gas.

(2) This Part also applies, as far as applicable to every company incorporated, registered or licensed under any Act of Saskatchewan for the conveyance and supply of petroleum, and its provisions shall be read accordingly.

R.S.S. 1940, c.118, s.3; 1948, c.29, s.2; R.S.S.
1953, c.129, s.3.

CONSTRUCTION OF WORKS

Consents required

- 4(1) No company shall be entitled to the benefit of this Part until it has obtained the consent of the city or town within which the powers hereby given are to be exercised, such consent to be by bylaw and to be on such terms and conditions as the bylaw provides.
- (2) When the purposes of a water or gas company require the exercise of any of the said powers in an area outside any city or town, the consent of the minister to the exercise of such powers within the area shall be first had and obtained.
- (3) Before such consent is granted the minister shall obtain a consent of the Minister of Highways and Transportation to the work of laying down or erecting any main, pipe, reservoir, pumphouse or other work for the supply, carriage, transmission or storage of gas or water, where such main, pipe, reservoir, pumphouse or other work runs along, across, over or under a public highway.
- (4) The company shall file with the minister plans showing the route of the proposed main or pipe and the location of the reservoir, pumphouse or other work and such other details as the minister may require.
- (5) The minister may approve or reject the application. In the case of approval, the consent of the minister shall be subject to such terms and conditions as he may from time to time prescribe; and may be withdrawn at any time. Where such consent is withdrawn, the company may forthwith, and shall, if the minister so orders and within such time as is specified in the order, remove its mains or pipes and other property and restore the ground to its former condition. If the company fails to comply with the order, the minister may cause the removal and restoration to be carried out at the expense of the company.
- (6) When the purposes of an electric company require the exercise of the said powers in an area outside any city or town, the consent of the Saskatchewan Power Commission to the exercise of such powers within the area shall be first had and obtained.

R.S.S. 1940, c.118, s.4; R.S.S. 1953, c.129, s.4.

RIGHTS AND POWERS

Powers of sale and letting out to hire

- 5 Subject to the approval of the minister, the company may sell and dispose of meters and gas, water or electric fittings of every description for the use of any private or public building or for any establishment, company or corporation whatever, as well as coke, coal tar and any other product of its works, and any refuse or residuum arising or obtained from the materials used or necessary for the manufacture of gas or electricity; and every company may let out to hire meters and gas, water or electric fittings of every kind and description, at such rates and rents as may be agreed upon between the consumers or tenants and the company.

R.S.S. 1940, c.118, s.5; 1948, c.29, s.3; R.S.S. 1953, c.129, s.5.

As to surplus power

6 Any electric company may lease to or enter into a contract with any person or persons, body corporate or politic for the use of power, engines, wheels or machines run by water, steam, gas or in any other manner, erected by such company for the purpose of running or operating an electric light plant, to the end and intent that such machinery and power may be utilized and employed during the hours when or so far as the same are not required for the purpose of furnishing electric light.

R.S.S. 1940, c.118, s.6; R.S.S. 1953, c.129, s.6.

Laying mains and wires

7 Subject to the terms of the consent referred to in section 4, and to the provisions of Part II, the company may break up, dig and trench and use so much and so many of the streets, squares, highways, lanes and public places as are necessary for laying the mains and pipes to conduct the gas or water or for placing the wires and connections to conduct the electricity from the works of the company to the consumers or users thereof, doing no unnecessary damage in the premises and taking care as far as may be to preserve a free and uninterrupted passage through the said streets, squares, highways, lanes and public places while the works are in progress.

R.S.S. 1940, c.118, s.7; R.S.S. 1953, c.129, s.7.

Company's rights, how far a monopoly

8 Subject to the provisions of *The Power Commission Act* and *The Power Corporation Act* and the approval of the minister, when a company has laid down or erected mains, pipes, wires or conductors for the supply of gas, water or electricity through any of the streets, squares or public places of a municipality, no other person or persons, body corporate or politic shall, without the consent of the company first had and obtained nor otherwise than on payment to the company of such compensation as may be agreed upon, lay down or erect any main, pipe, wire or conductor for the supply of gas, water or electricity within six feet of the company's mains, pipes, wires or conductors, or, if it is impracticable to cut trenches for such other mains or pipes at a greater distance, then as nearly six feet as the circumstances of the case will admit.

R.S.S. 1940, c.118, s.8; 1948, c.29, s.4; 1951, c.36, s.2; R.S.S. 1953, c.129, s.8.

Right of way

9 When there are buildings within the municipality the different parts whereof belong to different proprietors or are in possession of different tenants or lessees, the company may carry pipes, wires or conductors to any part of any building so situated, passing over the property of one or more proprietors or in the possession of one or more tenants or lessees, to convey the gas, water or electricity to the property of or in the possession of another.

R.S.S. 1940, c.118, s.9; R.S.S. 1953, c.129, s.9.

Passages

10 The company may also break up and uplift all passages common to neighbouring proprietors or tenants, and dig or cut trenches therein for the purpose of laying down pipes, wires or conductors or taking up or repairing the same, doing as little damage as may be in the execution of the powers hereby granted.

R.S.S. 1940, c.118, s.10; R.S.S. 1953, c.129, s.10.

Compensation

11 The company shall compensate the owners or proprietors of any building or other property, or the municipality or the minister, as the case may be, for all damages caused in or by the execution of all or any of the said powers.

R.S.S. 1940, c.118, s.11; R.S.S. 1953, c.129, s.11.

Compensation payment

12 No company shall be entitled by virtue of this Part to take possession or make use of private property, or to do any work thereon, until the amount to be paid for or in respect of such property is ascertained by arbitration or otherwise and is paid or tendered to the parties entitled thereto, or is paid into court for their benefit.

R.S.S. 1940, c.118, s.12; 1951, c.36, s.3; R.S.S. 1953, c.129, s.12.

Removal of tress and obstructions beside transmission lines

13(1) An electric company may enter upon any land on either side of the right of way acquired for its transmission or distribution lines or upon any land on either side of such lines and fell or remove any trees or branches thereof or any other obstruction upon such land or upon any highway or place, which in the opinion of the company it is necessary to fell or remove, but subject to payment or tender of compensation as provided in sections 11 and 12.

(2) The powers conferred by subsection (1) shall not be exercised unless with the consent of the council of the city, town, village or rural municipality in which such land is situated or of the Minister of Municipal Affairs where the land is situated in a local improvement district or of the Minister of Natural Resources where the land is situated in the Northern Saskatchewan Administration District.

R.S.S. 1940, c.118, s.13; 1953, c.118, s.3; R.S.S. 1953, c.129, s.13.

Location of works

14 The company shall locate, construct and maintain its gas or waterworks or electric system, and all apparatus and appurtenances thereto belonging or appertaining or therewith connected and wherever situated, so as not to endanger the public health or safety.

R.S.S. 1940, c.118, s.14; R.S.S. 1953, c.129, s.14.

Limitation of powers

15 Nothing contained in this Part shall authorize a company or any person acting under its authority to take, use or injure for the purpose of the company any house or other building or any land used or set apart as a garden, orchard, yard, park, paddock, plantation, planted walk or avenue to a house or nursery ground for trees, or to convey from the premises of any person any water already appropriated and necessary for his domestic use, without the consent in writing of the owner or owners thereof first had and obtained.

R.S.S. 1940, c.118, s.15; R.S.S. 1953, c.129, s.15.

Other companies' rights

16 Nothing in this Part authorizes a company to interfere with or infringe upon any exclusive privilege granted to another company.

R.S.S. 1940, c.118, s.16; R.S.S. 1953, c.129, s.16.

Individual rights

17 Nothing in this Part prevents any person from constructing works for the supply of gas, water or electricity to or on his own premises.

R.S.S. 1940, c.118, s.17; R.S.S. 1953, c.129, s.17.

Exemption from seizure

18 Neither the services nor the connecting pipes, wires, or conductors of the company, nor any meters, lustres, lamps, pipes, gas or water or electric fittings nor any other property of any kind whatever of the company, shall be subject to or liable for rent or liable to be seized or attached in any way by the possessor or owner of the premises wherein the same may be, or be in any way whatever liable for the debt of any person to and for whose use or the use of whose house or building the same may be supplied, notwithstanding the actual or apparent possession thereof by such person.

R.S.S. 1940, c.118, s.18; R.S.S. 1953, c.129, s.18.

Supply on request

19 When a company has constructed works for supplying a municipality or municipalities with gas, water or electricity and the company is able to do so, the company shall supply all buildings situated upon land lying along the line of any supply pipe or wire upon request by the owner, occupant or other person in charge of any such building.

R.S.S. 1940, c.118, s.19; R.S.S. 1953, c.129, s.19.

Security

20 A company before supplying water, gas or electricity to a building, or as a condition to its continuing to supply the same, may require a consumer to give reasonable security for the payment of the proper charges of the company therefor or for carrying the water, gas or electricity into such building.

R.S.S. 1940, c.118, s.20; R.S.S. 1953, c.129, s.20.

Liability

21 Nothing in sections 19 and 20 shall be construed so as to affect the liability of a company for damages on account of any failure of supply through mischance, accident or mismanagement, but the position of the company in respect thereof shall remain as if the said sections had not been passed.

R.S.S. 1940, c.118, s.21; R.S.S. 1953, c.129, s.21.

Consumers' arrears

22 If any person, supplied by the company with gas, water or electricity, neglects to pay the rent, rate or charge due to the company at any of the times fixed for the payment thereof, the company or anyone acting under its authority, on giving forty-eight hours' notice to such person, may stop the supply of gas, water or electricity from entering or being supplied to the premises of the person in arrears by cutting off the service pipe or pipes, wires or conductors or by such other means as the company or its officers see fit; and may, notwithstanding any contract to furnish for a longer time, recover in any court of competent jurisdiction the rent or charge due up to such time together with the expense of cutting off the gas, water or electricity.

R.S.S. 1940, c.118, s.22; R.S.S. 1953, c.129, s.22.

PENALTIES

Penalties

23 If any persons:

- (a) wilfully or maliciously breaks up, pulls down or damages, injures, puts out of order or destroys any main, pipe, engine, waterhouse pipe, plug or other work, wire or conductor or apparatus, appurtenance or dependency thereof or any matter or thing made and provided for use in connection therewith, or any of the materials used and provided for the same or ordered to be erected, laid down or belonging to a company;
- (b) wilfully does any other injury or damage for the purpose of obstructing, hindering or embarrassing the construction, completion, maintaining or repairing of the said works or causes or procures the same to be done;
- (c) bathes or washes or cleans any cloth, wool, leather, skin, animal or any nauseous or offensive thing, or casts, throws or puts any filth, dirt or any nauseous thing in or causes, permits or suffers the water of any sink, sewer or drain to be run or be conveyed into or causes any other annoyance to be done to the water from which the water belonging to the company is to be supplied or conveyed;
- (d) by any wrongful or improper means increases the supply of gas or water or electricity agreed for with the company;
- (e) wilfully or maliciously damages or causes or knowingly suffers to be damaged any meter, lamp, lustre, wire, conductor, service pipe or fitting belonging to the company or wilfully impairs or knowingly suffers the same to be altered or impaired so that the meter indicates less gas, water or electricity than actually passes through the same;

such person is guilty of an offence and liable on summary conviction to a fine not exceeding \$50.

R.S.S. 1940, c.118, s.23; R.S.S. 1953, c.129, s.23.

Entry of premises

24(1) Where the company may lawfully cut off and take away the supply of gas, water or electricity from any house, building or premises, the company, its agents or workmen, upon giving forty-eight hours' previous notice to the person in charge or the occupier, may enter into the house, building or premises between the hours of nine o'clock in the forenoon and five o'clock in the afternoon, causing as little disturbance and inconvenience as possible, and may remove and take away any pipe, meter, cock, branch, lamp, fitting or apparatus the property of and belonging to the company; and any servant duly authorized by the company may between the said hours enter any house into which gas, water or electricity has been taken or supplied, for the purpose of repairing and making good any such house, building or premises, or for the purpose of examining any meter, pipe, wire, conductor, apparatus or fitting belonging to the company or used for its gas, water or electricity.

(2) If any person refuses to permit or does not permit the servants and officers of the company to enter and perform any such act, the person so refusing or obstructing is guilty of an offence and liable on summary conviction to a fine, which shall belong to the company, for every such offence not exceeding \$20, and to a further fine not exceeding \$4 for every day during which such refusal or obstruction continues.

R.S.S. 1940, c.118, s.24; R.S.S. 1953, c.129, s.24.

Service discontinued

25 Where a customer discontinues the use of the gas or water or electricity supplied by any company or the company lawfully refuses to continue to supply the same, the officers and servants of the company may at all reasonable times enter upon the premises in or upon which such customer was supplied with gas or water or electricity for the purpose of removing therefrom any fittings, machine, apparatus, meter, pipe, wire, conductor or other thing, the property of the company, in or upon such premises, and may remove the same therefrom doing no unnecessary damage.

R.S.S. 1940, c.118, s.25; R.S.S. 1953, c.129, s.25.

REFERENCE TO ARBITRATION**Arbitration**

26(1) Subject to the provisions of *The Power Corporation Act* and subject to the provisions of section 15, any company deeming it necessary or proper to conduct any of its pipes, wires or conductors, or to carry any of the works of the company through the lands of any person shall, if the parties cannot agree upon the amount of compensation payable for the land to be used or taken for such purposes, proceed to arbitration under the provisions of *The Arbitration Act*.

(2) The arbitration shall be by three arbitrators, one to be appointed by each party, and the third to be chosen by the two so appointed.

(3) The arbitrators shall adjudge the amount of compensation to be paid to the owner of the property to be taken or used, and on payment of such sum the company may enter upon and take or use the property for the said purposes.

R.S.S. 1940, c.118, s.26; 1951, c.36, s.4; R.S.S. 1953, c.129, s.26.

PART II**Gas and Petroleum Pipe Lines****CONDITIONS FOR BEGINNING WORK****Permit required**

27 No company shall, for the purpose of laying mains or pipes to conduct gas or petroleum, exercise the powers conferred upon it by Part I until it has obtained a permit as hereinafter required.

R.S.S. 1940, c.118, s.27; R.S.S. 1953, c.129, s.27.

Applications for permit

28 Every company desiring to break up, dig, trench or use streets, squares, highways, lanes or other public places or any private property, for the purpose of laying therein mains or pipes to conduct gas or petroleum, shall apply to the minister for a permit to do so.

R.S.S. 1940, c.118, s.28; 1948, c.29, s.5; R.S.S. 1953, c.129, s.28.

Plan to be forwarded with application

29 The company shall forward with its application a plan upon the prescribed scale showing in detail:

- (a) the points in the province between which, and the route along which, the pipe line is to be constructed;
- (b) the intended size and capacity thereof; and
- (c) the location and capacity of all pumping stations, gate valves, check valves and connections of all kinds upon the line;

and shall also forward all other plans and information relating to the line and its construction which the minister may require for the proper understanding of the plan or for any other purpose whatever.

R.S.S. 1940, c.118, s.29; R.S.S. 1953, c.129, s.29.

Rights of entry for preparation of plan

30 The company may with the consent of the minister, preparation for the purpose of preparing such plan enter into and upon any Crown lands or into or upon the lands of any person, lying in the intended route or line of the proposed pipe line, and make surveys, examinations or other necessary arrangements on such lands for fixing the site of the pipe line, and set out and ascertain such parts of the land as are necessary and proper for the pipe line.

R.S.S. 1940, c.118, s.30; 1948, c.29, s.6; R.S.S. 1953, c.129, s.30.

Power to change plan

31 The minister may make such changes and alterations in the plan and its detail as he deems expedient, and may in particular require that the pipe line shall be of any stated size or capacity.

R.S.S. 1940, c.118, s.31; R.S.S. 1953, c.129, s.31.

Discretion of minister

32 The minister may, in his absolute discretion, grant a permit to construct the line in accordance with the plan and details originally forwarded to him, or as changed or altered by him, and subject to such conditions as may be laid down in the permit.

R.S.S. 1940, c.118, s.32; R.S.S. 1953, c.129, s.32.

Deposit of plan

33(1) Upon a permit being granted, the company shall deposit copies of the plan, as approved by the minister, or of such parts thereof as relate to each land registration district through which the proposed pipe line is to pass, duly certified as copies by the minister, in the offices of the registrars for such land registration districts respectively.

Duty of registrar and searches

(2) Every registrar shall receive and preserve in his and searches office all plans required by this Part to be deposited with him, and shall endorse thereon the day, hour and minute when the same were so deposited; and all persons may resort to the same and may make extracts therefrom and copies thereof as occasion requires, paying the registrar therefor at the rate of ten cents for each hundred words so copied or extracted, and fifty cents for each copy made of any plan. The registrar shall, at the request of any person, certify copies of any such plan or of such portions thereof as may be required, on being paid therefor at the rate of ten cents for each hundred words copied and such additional sum for any copy of plan furnished by him as is reasonable and customary in like cases together with fifty cents for each certificate given by him.

Certificate of registrar

(3) The certificate of the registrar shall set forth that the plan, a copy of which or any portion of which is certified, is deposited in his office, and state the time when it was so deposited, and that he has carefully compared the copy certified with the document on file and that the same is a true copy of such original. Such certified copy shall in all courts be evidence that the original plan was so deposited at the time stated and certified, and shall be *prima facie* evidence of the original and that the same was signed, certified, attested or otherwise executed by the persons by whom and in the manner in which the same purports to be signed, certified, attested or executed, as shown or appearing by the certified copy, and that the same is prepared according to a scale and in manner and form sanctioned by the minister.

R.S.S. 1940, c.118, s.33; R.S.S. 1953, c.129, s.33.

Alterations in plan

34(1) If any deviation, change or alteration is required by the company to be made in the pipe line or any portion thereof as already constructed or as merely located and sanctioned as aforesaid, a plan of the portion of the pipe line proposed to be changed, showing the deviation, change or alteration proposed to be made, shall in like manner as provided in section 29 be submitted for the approval of the minister, who may, in his absolute discretion grant a permit to make the deviation, change or alteration in accordance with the plan.

(2) Upon a permit being granted, the company shall deposit copies of the plan as provided in section 33, and the company may thereupon make such deviation, change or alteration and the provisions of this Part shall apply to the portion of such pipe line so changed or proposed to be changed as to the original pipe line.

R.S.S. 1940, c.118, s.34; R.S.S. 1953, c.129, s.34.

Commencement of work

35 Notwithstanding anything contained in *The Rural Municipality Act*, the company, upon the registration of such plan as hereinbefore provided, shall have the right, subject to the consent of the minister first had and received and to such regulations and conditions as the minister may impose, to construct, maintain and operate its pipe line or lines along, over, under and across all highways, roads, road allowances, bridges, waters, watercourses, streams and public places of every kind and description whatever, and over all or any other lands within such registration district now or at any time hereafter vested in Her Majesty in right of Saskatchewan, and shall have an easement in all other lands through which the pipe line is to pass within such registration district; and the company may without the consent of the owners forthwith enter upon all such lands and proceed with the construction of the pipe line thereon and do all such things as may be reasonably necessary or incidental thereto.

R.S.S. 1940, c.118, s.35; 1948, c.29, s.7; R.S.S. 1953, c.129, s.35.

Proceedings for obtaining additional lands for certain purposes

36(1) When a company requires at any place along the route of its pipe line land for the erection of tanks, pumping stations or other structure or equipment necessary or incidental to the proper operation of its pipe line, the company may forward to the minister a plan showing the location of the lands required for such purpose. The minister may in his absolute discretion grant a permit to erect such tank, pumping station or other structure or equipment in accordance with such plan. Upon such permit being granted, the company shall deposit copies of the plan in the proper land registration offices in the manner provided in section 33.

(2) Upon registration of the plan the company may without the consent of the owners take the land shown thereon as required for such purpose and may forthwith enter upon the land and proceed with the erection of the tank, pumping station or other structure or equipment.

R.S.S. 1940, c.118, s.36; R.S.S. 1953, c.129, s.36.

Expropriation proceedings

37 The company may at any time after registration of proceedings a plan as provided in section 33, 34 or 36, make agreements or contracts with the owners of lands or persons empowered to convey lands or interested in lands affected by the exercise of the powers granted to the company under this Part, touching the said lands or the compensation to be paid for the same; and, if the company has not concluded such agreement with any owner within sixty days after entering upon or taking any, such land, the company shall forthwith proceed to the expropriation thereof and the determination and payment of compensation therefor in accordance with the provisions of *The Expropriation Act*, which shall, with the exceptions of sections 1, 2, 3, 5 (a) and 25 thereof, be incorporated within and deemed to be a part of this Part, provided that the reference in section 26 of the said Act to section 25 thereof shall be deemed to apply and refer to sections 35 and 36 of this Act.

R.S.S. 1940, c.118, s.37; R.S.S. 1953, c.129, s.37.

POWERS OF LOCAL GOVERNMENT BOARD

Application to Local Government Board

38(1) No company shall operate a pipe line until it has obtained from the Local Government Board a declaratory order giving its consent to such operation and setting forth the conditions under which it may be operated.

(2) The board may:

(a) require that the company shall be a common purchaser of petroleum or gas, and shall purchase all the petroleum or gas in the vicinity of, or which may be reasonably reached by, its pipe line or branches, without discrimination in favour of one producer or company as against another, or that it shall purchase and transport petroleum or gas from each company and producer rateably in proportion to the average daily production; and

(b) prohibit the company from discriminating in price or amount for like grades of petroleum or gas, or facilities as between producers or companies; and

(c) if any purchaser is also a producer, prohibit it from discriminating in favour of its own production or storage, or any production or storage in which it may be interested, directly or indirectly.

(3) The board may declare the company to be a common carrier, and as such it shall not discriminate in favour of the carriage, transportation, storage 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.

(4) The board may prohibit any person to whom a permit is granted but who is not made a common purchaser, from owning or operating, directly or indirectly, any petroleum or gas well, petroleum or gas lease or petroleum or gas holdings or interests in the province.

R.S.S. 1940, c.118, s.38; R.S.S. 1953, c.129, s.38.

Power to fix reasonable price to be paid for gas

39(1) Notwithstanding the terms of any contract, the Local Government Board may, and by order of the Lieutenant Governor in Council shall, fix and determine the just and reasonable price or prices to be paid at the well head for natural gas in its natural state as and when produced from the earth.

(2) The board shall not be required or compelled to fix or determine such price or prices for, in respect of, or on the basis of any individual well or wells, or the value or cost thereof, or the investment therein, or a rate of return thereon, but may fix and determine such price or prices as shall be applicable generally to all wells in a gas field, or may fix and determine different prices for gas produced from such classes or groups of wells as may be specified by the board, and in fixing such price or prices the board may adopt any just and reasonable basis or method of arriving at or computing such price or prices as it deems to be applicable or proper having regard to all the circumstances and factors involved.

1951, c.36, s.5; R.S.S. 1953, c.129, s.39.

PENALTIES

Companies

40(1) Every company which violates any of the provisions of section 27 or 38 or does anything which is prohibited or fails to do anything which is required by the Local Government Board pursuant to section 38, is guilty of an offence and liable on summary conviction to a fine not exceeding \$100 and in the case of a continuing offence to a fine not exceeding \$100 for each day upon which such offence occurs or continues.

(2) Every company which sells or purchases natural gas at the well-head at a price other than the price fixed and determined for such gas pursuant to section 39 is guilty of an offence and liable on summary conviction to a fine not exceeding \$100.

1951, c.36, s.5; R.S.S. 1953, c.129, s.40.

REGULATIONS

Regulations

41 The Lieutenant Governor in Council may make regulations:

- (a) providing for the inspection of pipe lines during their construction and thereafter, and for the cost of such inspection, and as to the persons by whom such cost is to be borne;
- (b) prescribing the pressure to which any pipe line for the transportation or transmission of gas or petroleum may be subjected;
- (c) altering for the purposes of this Part the meaning of, or giving a new meaning to, the term "common carrier" as known to the common law;
- (d) fixing the number, capacity and nature of storage tanks, and the methods of gauging the petroleum therein, on any common carrier system;
- (e) fixing the number, and providing for the installation, of conduits, services, governors and meters;
- (f) fixing the types and gravities of petroleum or gas which may be conducted through the pipe line or lines;
- (g) providing for the analysis and testing of gas by competent and technical persons;
- (h) requiring petroleum or gas conducted or to be conducted through pipe lines, to be treated if necessary in a treating or purification plant, and providing for the installation of, and general requirements to be observed with respect to, such treating plant;
- (i) providing for the laying of all pipe lines under the direction and inspection of proper persons;
- (j) providing that pipe lines shall not be constructed, maintained or operated until the damages arising from the laying of the pipe lines have been paid or otherwise settled for;
- (k) fixing the rates for carriage through any pipe line;
- (l) fixing the percentage of loss allowable to the owner of any pipe line;

(m) prescribing measures of safety for the protection of life and property during and after the construction or installation of pipe lines, compressor stations, pumping stations, regulating stations, house service lines, meters and other measuring devices;

(n) providing for the reconstruction or removal of pipe lines, pipe line connections, compressor stations, pumping stations, regulators, meters, treating plants, purifying plants, tanks, and all other petroleum or gas operating machinery and appurtenances, which through deterioration, or otherwise, have become or may become a danger or menace to life or property;

(o) prescribing penalties for the breach of any regulations made under this Part, or of any conditions imposed by the Local Government Board.

R.S.S. 1940, c.118, s.39; R.S.S. 1953, c.129, s.41.

Limits of operation

42 This Part is only intended to operate as to matters which are within the exclusive legislative jurisdiction of the province.

R.S.S. 1940, c.118, s.40; R.S.S. 1953, c.129, s.42.

PART III

Franchises, Sales and Leases

INTERPRETATION

Interpretation

43 In this Part:

“board”

1 “**board**” means the Local Government Board;

“corporation”

2 “**corporation**” includes a person.

R.S.S. 1940, c.118, s.41; R.S.S. 1953, c.129, s.43.

APPROVAL OF BOARD

Municipal franchises, sales and leases subject to approval of board

44(1) Notwithstanding anything contained in any Act, no city, town or village shall, unless with the previous written approval of the board:

(a) grant a special franchise or any privilege in the nature of a franchise with respect to the supply of water or gas or electric light and power or the operation of any street railway or motor omnibus system;

(b) sell or lease its water works, gas works or electric light and power generating plant or distribution system, or its street railway or motor omnibus system, whether or not such sale or lease is made concurrently with the grant of a special franchise or privilege in the nature of a franchise; provided that the sale or lease of one or more individual units or parts of any such works, plant, distribution system, street railway or motor omnibus system may in the discretion of the board be exempted from the foregoing prohibition;

and no city, town or village shall enter into any contract or agreement or other instrument for any of the purposes mentioned in clause (a) or clause (b) and not exempted under the proviso to clause (b), unless the contract, agreement or other instrument provides, in terms satisfactory to the board, that the grantee, purchaser or lessee, his successors and assigns, and the franchise or privilege granted and the works, plant or system sold or leased, shall be subject to all the provisions of this Part.

(2) The approval of the board shall be obtained before the matter is submitted to a vote of the burgesses under the relevant municipal Act.

R.S.S. 1940, c.118, s.42; 1945, c.32, s.2; R.S.S. 1953, c.129, s.44.

Procedure on application

45 In dealing with an application under section 44, the board shall:

- (a) consider whether the proposed grant, sale or lease is necessary or expedient for the public convenience and conserves the public interests;
- (b) determine the actual value of the property proposed to be sold or leased and ascertain whether the price or consideration to be paid is fair and reasonable in the public interest;
- (c) consider whether the rates, charges and schedules proposed to be imposed or effected for any product or service to be supplied or rendered are fair and reasonable and whether the period of any franchise is in the public interest.

R.S.S. 1940, c.118, s.43; R.S.S. 1953, c.129, s.45.

Evidence

46 For the purpose of arriving at its decision the board shall hear all interested parties who appear, and may summon and examine on oath any person whose evidence it desires to obtain, and may fix a date for the hearing of all parties interested in the granting or refusing of the application.

R.S.S. 1940, c.118, s.44; R.S.S. 1953, c.129, s.46.

Disposal of application

47(1) The board may refuse its approval unless it is satisfied that:

- (a) the proposed grant, sale or lease is necessary or expedient for the public convenience and conserves the public interest;
- (b) the price or consideration is fair and reasonable in the public interest;
- (c) the rates, charges or schedules proposed to be imposed or effected are fair and reasonable;
- (d) the period of the proposed franchise is in the public interest;

- (e) the contract, agreement or other instrument provides, in terms satisfactory to the board, that the grantee, purchaser or lessee, his successors and assigns, and the franchise or privilege granted and the works, plant or system sold or leased, shall be subject to all the provisions of this Part.
- (2) If the board approves an application, it may impose such terms and conditions as it deems proper.

R.S.S. 1940, c.118, s.45; R.S.S. 1953, c.129, s.47.

Franchise not exclusive not exclusive as against Crown

48 No special franchise or privilege in the nature of a franchise hereafter granted with respect to the supply of water or gas shall be deemed to be exclusive as against Her Majesty the Queen in right of Saskatchewan and no such franchise or privilege hereafter granted with respect to the supply of electric light and power shall be deemed to be exclusive as against Saskatchewan Power Corporation.

R.S.S. 1940, c.118, s.46; 1951, c.36, s.6; R.S.S. 1953, c.129, s.48.

Consent of board to variations in agreements

49(1) No city, town or village, which has heretofore variations in granted or hereafter grants a special franchise or any privilege in the nature of a franchise with respect to the supply of water or gas or electric light and power or the operation of a street railway or motor omnibus system, shall enter into any contract or agreement for the variation of any of the terms on which the franchise or privilege was or is granted unless the contract or agreement has been approved by the board.

(2) The provisions of sections 45, 46 and 47 apply, with the necessary modifications, to applications by cities, towns and villages to the board for its approval of such contracts and agreements.

R.S.S. 1940, c.118, s.47; 1945, c.32, s.3; R.S.S. 1953, c.129, s.49.

ACCOUNTING, REPORTS AND DEPRECIATION

Account of public utility

50(1) The board may, by order in writing, require all corporations operating under a water or gas franchise or operating an electric light and power generating plant or distribution system, or operating a street railway or motor omnibus system under a franchise granted by a city, town or village, to adopt a system of accounting prescribed by the board, and to furnish the board periodically, and whenever the board may require, a detailed report of its finances and of its operations in Saskatchewan in such form and containing such precise information with regard to capitalization and all other matters, and verified in such manner, as the board may from time to time by order prescribe.

(2) The board may extract from such reports such information as in the opinion of the board is useful for publication and may embody such information in the reports of the board.

(3) The board may by order in writing, whenever in its judgment this measure may reasonably be required in the public interest or for the protection of stockholders, bondholders, debenture holders or other creditors, require any or all corporations operating under a franchise of any of the types referred to in this Part to institute a proper and adequate depreciation account and to set aside out of earnings a depreciation fund for the following purposes:

- (a) in the case of corporations operating under a water or gas franchise, to keep its pipe lines, tanks, pumping stations and other structures, equipment and requisite property in a state of efficiency corresponding to the development and progress of the industry;
 - (b) in the case of corporations operating an electric light and power generating plant and distribution system in connection therewith or operating any one of them, to keep its plant, distribution system, structures, equipment and requisite property in a state of efficiency corresponding to the development and progress of the industry;
 - (c) in the case of corporations operating a street railway or motor omnibus system under a franchise granted by a city, town or village, to keep its tracks, power lines, cars, buses, structures, equipment and requisite property in a state of efficiency corresponding to the development and progress of the industry.
- (4) The board may fix from time to time the rates of depreciation to be used by any corporation for the purposes of this Act and the additions to be made to the depreciation fund.
- (5) The income from investments of moneys in the depreciation fund shall be carried in that fund and the fund shall not without the written approval of the board be expended otherwise than for depreciation, improvements, new constructions, replacements, extensions or additions to the property requisite for carrying out the terms of the franchise.
- (6) The board may from time to time direct the corporation to use the depreciation fund or any part thereof for any of the purposes mentioned in subsection (5).

R.S.S. 1940, c.118, s.48; 1945, c.32, s.4; R.S.S. 1953, c.129, s.50.

RATES

Restrictions when imposing rates

51 No corporation operating any water works or gas rates works or electric light and power generating plant or distribution system or operating a street railway or motor omnibus system under a franchise granted by a city, town or village shall:

- (a) impose or effect any unjust or unreasonable, unjustly discriminatory or unduly preferential rate, charge or schedule for any product or service supplied or rendered;
- (b) adopt or impose any unjust or unreasonable classification in imposing or effecting or as the basis of any rate, charge or schedule imposed or effected for any product or service supplied or rendered; or

(c) make or give directly or indirectly any undue or unreasonable preference or advantage to any person or group of persons or to any locality, or subject any person or group of persons or locality to any undue or unreasonable prejudice or disadvantage.

R.S.S. 1940, c.118, s.49; 1945, c.32, s.5; R.S.S. 1953, c.129, s.51.

Power of board to fix rates

52 The board may by order in writing, made after notice to and hearing the parties appearing to it to be interested, fix just and reasonable rates, charges or schedules, and such rates, charges and schedules shall be imposed, observed and followed by the corporation concerned when ever the board has determined any existing rate, charge or schedule to be unjust, unreasonable, insufficient or unjustly discriminatory or preferential.

R.S.S. 1940, c.118, s.50; R.S.S. 1953, c.129, s.52.

Application of sections

53 The provisions of sections 50, 51 and 52 do not apply to municipal corporations.

R.S.S. 1940, c.118, s.51; R.S.S. 1953, c.129, s.53.

Appeal to board by consumers

54 Any person or corporation or the council of any municipality may, if dissatisfied with the rates, charges or schedules imposed or effected by a corporation operating under a water or gas franchise or operating an electric light and power generating plant or distribution system, or operating a street railway or motor omnibus system under a franchise granted by a city, town or village, apply to the board for a variation thereof, and the board may upon hearing the parties appearing to it to be interested, and notwithstanding the provisions of any contract, deal with the application and fix such rates, charges or schedules as it deems just.

R.S.S. 1940, c.118, s.52; 1945, c.32, s.6; R.S.S. 1953, c.129, s.54.

Appeal to board by owner of utility

55(1) If a corporation operating any water works or gas works or electric light and power generating plant or distribution system, or operating a street railway or motor omnibus system under a franchise granted by a city, town or village, having entered into a contract with a municipality for the supply of water, gas or electrical energy or the operation of a street railway or motor omnibus system for a fixed or variable rate, charge or schedule or at a maximum or minimum rate, charge or schedule, complains to the board that the rate, charge or schedule is insufficient, unjust, or unreasonable, the board may upon hearing the parties appearing to it to be interested, and notwithstanding the provisions of the contract, deal with the complaint and fix such rates, charges and schedules as it deems just.

(2) When an order is made by the board under subsection (1) fixing an increased rate, charge or schedule to be imposed in a municipality which has heretofore entered into a contract for the supply of electrical energy, such as is mentioned in the said subsection, and the board considers that the increase ordered is substantial, the board may direct the council of the municipality to cause a vote of the burgesses to be taken on the question whether the increased rate, charge or schedule shall be agreed to by the municipality, and the council shall forthwith cause such vote to be taken as nearly as possible in the manner prescribed by the relevant municipal Act for the voting of burgesses on bylaws.

(3) If a majority of the burgesses voting on the question decide in the affirmative, the contract shall be deemed to be altered in accordance with the order of the board.

(4) If a majority of the burgesses so voting decide in the negative, the contract shall remain unaltered by the decision of the board for a period of one year from the date of the voting, but the municipality shall, at the expiry of the said period, unless the corporation operating the electric light and power generating plant or distribution system in the meantime by written notice to the municipality abandons its claim to the increase, take over and purchase the said plant or system, paying an amount of compensation therefor to be determined by arbitration. The contract shall thereupon be at an end in all respects as if it had terminated by effluxion of time.

(5) The arbitration shall be by one arbitrator who shall be a judge of the Court of Queen's Bench named by the Attorney General, and the provisions of *The Arbitration Act* apply thereto.

(6) An appeal lies from the award of the arbitrator to the Court of Appeal in the same manner as from the judgment of a judge of the Court of Queen's Bench in an action or other proceeding in court, or as may be provided by rules of court, but the decision of the Court of Appeal shall be final and not subject to further appeal.

(7) In determining the compensation to be paid, the arbitrator shall consider the actual replacement value of the property taken over and purchased as a going concern, such actual replacement value not to include any value for franchise or value based on earnings or goodwill, and shall make due allowance for depreciation, deterioration, wear and tear, obsolescence and all other proper allowances.

(8) When an order is made by the board under subsection (I) fixing an increased rate, charge or schedule to be imposed in a municipality which has heretofore entered into a contract for the supply of water or gas, or the operation of a street railway or motor omnibus system such as is mentioned in the said subsection, and the board considers that the increase ordered is substantial, the board may direct the council of the municipality to cause a vote of the burgesses to be taken on the question whether the increased rate, charge or schedule shall be agreed to by the municipality, and the council shall forthwith cause such vote to be taken as nearly as possible in the manner prescribed by the relevant municipal Act for the voting of burgesses on bylaws.

(9) If a majority of the burgesses voting on the question decide in the affirmative, the contract shall be deemed to be altered in accordance with the order of the board.

(10) If a majority of the burgesses so voting decide in the negative, the contract shall remain unaltered by the decision of the board for a period of one year from the date of the voting, unless the corporation operating the water or gas works or the street railway or motor omnibus system in the meantime by written notice to the municipality abandons its claim to the increase, and failing such abandonment the contract shall on the expiry of the said period be null and void.

R.S.S. 1940, c.118, s.53; 1945, c.32, s.7; R.S.S. 1953, c.129, s.55.

Capitalization not to bind board in fixing rates

56 If the capitalization of any corporation to which this Part applies or the capitalization in respect of any fixing rates works, plant or system appears to the board to be excessive in any respect, the board shall not be bound thereby when fixing the rates, charges or schedules which may be imposed or effected under sections 52, 54 and 55.

1945, c.32, s.8; R.S.S. 1953, c.129, s.56.

SPECIAL SUPERVISORY POWERS RESPECTING TRANSPORTATION SYSTEMS

Powers of board

57 The board may from time to time, with respect to any corporation operating a street railway or motor omnibus system under a franchise heretofore or hereafter granted by a city, town or village and notwithstanding anything contained in any agreement pertaining thereto:

- (a) fix and determine the time schedules under which cars, buses or other vehicles being used by the corporation for the carrying of passengers shall be operated;
- (b) require the corporation to extend or shorten or otherwise vary the routes of the transportation lines of the corporation;
- (c) fix terminals for such routes;
- (d) direct the corporation to appoint one or more supervisors to supervise the service on the various routes, the units in operation and personnel employed in the operation of the system and to exercise such other functions as the board may direct;
- (e) fix and determine the passenger capacity of each transport vehicle in use and require the corporation to indicate on each such vehicle its passenger capacity and to refrain from exceeding the same;
- (f) require the corporation to submit periodic reports in such form as the board may direct covering the operations of the corporation;
- (g) require the corporation to grant such free or reduced fares to such persons or groups of persons as the board may designate;
- (h) make such other orders as may be deemed requisite to serve efficiently the public interest.

1945, c.32, s.9; R.S.S. 1953, c.129, s.57.

CANCELLATION OR VARIATION OF FRANCHISE AGREEMENTS

Powers of board

58(1) Notwithstanding anything contained in this or any other Act and notwithstanding the provisions of any franchise agreement, whether heretofore or hereafter executed, for the supply of water, gas or electric energy or the operation of a street railway or motor omnibus system within any city, town or village, the board may by order direct the termination of such agreement or its variation in any part, with effect on a date fixed by the order, whenever in its judgment:

- (a) conditions existing at the time such franchise was granted have so altered that it would be unreasonable, unfair or unjust to the parties thereto or to either of them or prejudicial to the public interest to continue such franchise in its existing form; or
- (b) the franchise holder is not proceeding with reasonable promptness or completeness to provide the services contemplated by the franchise agreement; or
- (c) the service being given by the franchise holder is inefficient or fails for any other reason to meet the reasonable needs or demands of the public; or
- (d) it is for any reason expedient in the public interest to do so.

(2) The board may also by order direct the termination of any such franchise agreement where the franchise holder fails to carry out any order made by the board under any of the provisions of this Act.

(3) Where a franchise agreement is terminated under subsection (1) or subsection (2) at a date prior to that fixed by the agreement the board may, except where such termination is in accordance with subsection (4) of section 55, direct that the municipality shall, or may at its option, take over and purchase the assets of the franchise holder used in conjunction with the exercise of the franchise or any of them, including any contractual rights for the supply to or purchase by the franchise holder of water, gas or electric energy, at a price to be determined by arbitration if the parties do not agree upon a price within a time to be fixed by the board. In case of arbitration the provisions of subsections (5), (6) and (7) of section 55 shall apply.

(4) Where a franchise agreement is terminated under subsection (1) or subsection (2), the board may give such directions for continuing the relevant service to the public as the board may see fit, and such directions shall be binding upon the municipality and upon the franchise holder and shall apply to any of the latter's property or equipment affected thereby or necessary in the opinion of the board to be used in giving effect to its directions, including any contractual rights for the supply to or purchase by the franchise holder of water, gas or electric energy. The board may also give directions as to remuneration for the use of such property or equipment.

1945, c.32, s.9; R.S.S. 1953, c.129, s.58.

Orders of board not subject to review

59 No order or decision made by the board under the provisions of this Part shall be subject to review by any court.

R.S.S. 1940, c.118, s.55; R.S.S. 1953, c.129, s.59.

Penalties

60(1) Every municipality and every corporation operating any water works or gas works or electric light and power generating plant or distribution system or street railway or motor omnibus system under a franchise granted by a city, town or village, which fails to comply with any of the provisions of this Part, or with any order or decision of the board made thereunder, is guilty of an offence and liable on summary conviction to a fine of not less than \$100 nor more than \$500 for every day during which the offence continues.

(2) Every member of the council of a municipality, and every director, manager, agent or other official of a corporation, who knowingly is a party to any matter declared in subsection (1) to be an offence is guilty of an offence and liable on summary conviction to a fine of not less than \$50 nor more than \$300 for every day during which the offence continues.

(3) Notwithstanding the provisions of subsections (1) and (2), no prosecution of any corporation for breach of a time schedule under a franchise with respect to the operation of a street railway or motor omnibus system shall be commenced without the written consent of the board.

R.S.S. 1940, c.118, s.56; 1945, c.32, s.10; R.S.S. 1953, c.129, s.60.

Application of Part

61 The provisions of this Part, other than section 48, do not apply to or affect Saskatchewan Power Corporation or any contract or agreement to which the corporation is a party, either in its own name or as the successor to The Saskatchewan Power Commission.

1951, c.36, s.7; R.S.S. 1953, c.129, s.61.

Application of *Local Government Board Act*

62 *The Local Government Board Act*, except in so far as inconsistent herewith, is applicable hereto.

R.S.S. 1940, c.118, s.58; R.S.S. 1953, c.129, s.62.

FOR HISTORICAL REFERENCE ONLY