1970

c 148 Energy Act

Ontario

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CHAPTER 148

The Energy Act

1. In this Act,

1. "appliance" means a device using only gas or fuel oil as fuel, and includes all vents, and all gas or fuel oil piping, tanks, containers and controls attached or to be attached thereto;

2. "Board" means the Ontario Energy Board;

3. "contractor" means a person,
   i. who carries on the business of installing, removing, repairing or servicing appliances, or
   ii. who sells and agrees to install appliances; 1964, c. 27, s. 1, pars. 1-3.

4. "distributor" means a person who supplies gas or fuel oil to a consumer, and "distribute" and "distribution" have corresponding meanings; 1964, c. 27, s. 1, par. 5.

5. "fuel oil" means any hydrocarbon that is liquid at 60°F. and 29.92 inches of mercury and has a flashpoint of not less than 110°F. and that comes within the meaning of the Canadian Government Specifications Board Specification 3-GP-2c entitled FUEL OIL and dated the 18th day of December, 1959, 3-GP-3a entitled KEROSEINE and dated the 11th day of December, 1959 or 3-GP-6c entitled DIESEL FUEL and dated the 31st day of December, 1963;

6. "gas" means natural gas, manufactured gas or propane or any mixture of any of them;

7. "hydrocarbon" means gas, oil and fuel oil; 1967, c. 25, s. 1 (1).

8. "inspector" means an inspector appointed under this Act; 1964, c. 27, s. 1, par. 9.

9. "install" includes placing in position for temporary use; 1967, c. 25, s. 1 (2).

10. "land" includes any interest in land;

11. "licence" means a licence issued under this Act; 1964, c. 27, s. 1, pars. 10, 11.

12. "manufactured gas" includes,
(i) sewage gas produced in a sewage treatment plant, and
(ii) a mixture of liquefied petroleum gas and air distributed by pipe line; 1967, c. 25, s. 1 (3).

13. “Minister” means the Minister responsible for the administration as determined under section 2; 1964, c. 27, s. 1, par. 13, amended.

14. “oil” means crude oil, and includes any hydrocarbon that can be recovered in liquid form from a pool through a well;

15. “owner” includes a person who is a mortgagee, lessee, tenant and occupant of land and a guardian, committee, executor, administrator or trustee in whom land is vested;

16. “permit” means a permit issued under this Act;

17. “person”, in addition to its meaning in The Interpretation Act, includes a municipality; 1964, c. 27, s. 1, pars. 14-17.

18. “pipe line” means a pipe that carries a hydrocarbon, other than propane, and includes every part thereof and adjunct thereto; 1964, c. 27, s. 1, par. 18; 1967, c. 25, s. 1 (4).

19. “producer” means a person who has the right to remove gas or oil from a well, and “produce” and “production” have corresponding meanings except when referring to documents or records; 1964, c. 27, s. 1, par. 19.

20. “propane” means liquefied petroleum gases or any mixture of any of them, undiluted with air, but does not include liquefied natural gas; 1967, c. 25, s. 1 (5).

21. “registered” means registered under this Act, and “registration” has a corresponding meaning;

22. “regulations” means the regulations made under this Act;

23. “storage company” means a person engaged in the business of storing gas;

24. “transmission line” means a pipe line, other than a production line, a distribution line, a pipe line within an oil refinery, oil or petroleum storage depot, chemical processing plant or pipe line terminal or station;

25. “transmitter” means a person who carries a hydrocarbon by transmission line, and “transmit” and “transmission” have corresponding meanings;
26. “utility line” means a pipe line, telephone, telegraph, electric power or water line, or any other line that supplies a service or commodity to the public; 1964, c. 27, s. 1, pars. 20-25.

27. “well” means a hole drilled into a geological formation of Cambrian or more recent age, except a hole where no gas or oil is encountered that is drilled for the production of fresh water or salt; 1967, c. 25, s. 1 (6).

28. “work” means a well, equipment or pipe line and every part thereof and adjunct thereto that is used in the drilling for or production of gas or oil or the storage or distribution of gas or fuel oil, or the transmission of a hydrocarbon or the manufacture of gas. 1964, c. 27, s. 1, par. 27.

2. The Minister of Mines and Northern Affairs shall administer all the provisions of this Act respecting the exploration for, the drilling for, the production of, and the storage of oil and gas and the Minister of Labour shall administer all the provisions of this Act that relate to the safety of persons and property in the transmission, distribution and use of natural gas and petroleum products and in the storage, distribution, handling and use of propane and fuel oil. 1970, c. 61, s. 1.

3. — (1) One or more inspectors may be appointed under The Public Service Act for the purposes of this Act.

(2) An inspector may, for the purposes of this Act and the regulations and for the purposes of any other Act or regulation that confers any function on an inspector,

(a) enter in or upon, take up or use any property, real or personal, at any time;

(b) require the production of any licence, permit or registration certificate, notice, document or record required by this Act or the regulations, and examine and copy it;

(c) make such examinations, tests and inquiries as are necessary to ascertain whether this Act and the regulations are being complied with; and

(d) exercise such other powers and do such other acts and things as are necessary for the carrying out of this Act and the regulations.

(3) The owner of any property and his servants, agents and employees shall furnish all means in his or their power required by the inspector for entry, inspection, testing and inquiry in the exercise of his powers and duties.
An inspector may give instructions orally or in writing to any person with respect to any matter or thing regulated, controlled or required by this Act or the regulations or by any order of the Board and may require that his instructions be carried out within such time as he specifies.

If a person to whom an inspector gives oral instructions under subsection 4 requests that the instructions be put in writing, the inspector shall put the instructions in writing.

No inspector shall be required to give testimony in any civil suit with regard to information obtained by him in the discharge of his official duty, except with the written permission of the Minister.

No inspector is personally liable for anything done by him under the authority of this Act or the regulations.

An inspector may tag a work or appliance in relation to which he has reason to believe that an offence against this Act or the regulations has been, is being, or is about to be, committed by attaching a tag in the prescribed form to some part of the work or appliance.

An inspector who has tagged a work or appliance shall forthwith notify in writing the person who appears to have the care or custody of the work or appliance of such tagging.

No person, other than an inspector, shall alter, deface or destroy such a tag, and no person, other than an inspector or a registered contractor who has remedied or repaired the work or appliance in accordance with requirements of the inspector, shall remove such a tag.

Where such a tag is removed by a registered contractor, he shall endorse his name and address thereon and forward the tag by registered mail to the inspector who attached the tag.

Except when authorized by an inspector, no person shall operate, or remove hydrocarbons from, or knowingly supply hydrocarbons to, or use in any manner whatsoever, a work or appliance that has been tagged.

One or more chief inspectors may be appointed under The Public Service Act for the purposes of this Act.

A person who has just cause to believe that to comply with, an instruction given under subsection 4 of section 3; or a tag attached under section 4, would cause physical injury to any person or would cause an unreasonable interference with the property or services of any person may appeal to a chief inspector by giving forthwith oral notice thereof to a chief inspector.
Sec. 8 (1) (e)  

(3) Such oral notice may be given by telephone.  

(4) The chief inspector so notified may vary, rescind or confirm the instruction or instruct the removal of or compliance with the tag.  1964, c. 27, s. 4.

6.—(1) No person shall,

(a) conduct a geophysical or geochemical exploration for gas or oil; or

(b) lease gas or oil rights from an owner other than the Crown; or

(c) produce gas or oil,

unless he is the holder of a licence for such purpose, but the failure on the part of any person to comply with this subsection does not affect the validity of any contract.  1964, c. 27, s. 5 (1).

(2) No person shall operate a machine for boring, drilling, deepening or plugging wells unless the machine is licensed.  1964, c. 27, s. 5 (2); 1965, c. 37, s. 2.

(3) No person shall bore, drill or deepen a well unless he is the holder of a permit for such purposes.  1964, c. 27, s. 5 (3).

7.—(1) Subject to the regulations, no person shall repressurize, maintain pressure in or flood any gas or oil horizon by the injection of gas, oil, water or other substance unless he is the holder of a permit for such purpose, but this prohibition does not apply to a person who injects gas in a designated gas storage area.

(2) If, in the opinion of the Minister, the special circumstances of a case so require, he may refer an application for a permit to repressurize, maintain pressure in or flood a gas or oil horizon to the Board, and the Board shall report to the Minister thereon, but, where, in the opinion of the Board, the special circumstances of the case so require, the Board shall hold a hearing before reporting to the Minister, and in either event the Minister shall grant or refuse to grant the permit in accordance with the report.  1964, c. 27, s. 6.

8.—(1) No person shall,

(a) transmit a hydrocarbon;

(b) distribute gas;

(c) distribute fuel oil by pipe line;

(d) transfer propane to a pressure vessel; or

(e) transport propane,
unless he is the holder of a licence for such purpose, but the failure to comply with this subsection does not affect the validity of any contract.

(2) No person shall buy, sell, offer for sale, lease, rent or install an appliance that does not bear the label of an organization designated in the regulations or a label issued by the Minister.

(3) No person shall carry on the business of installing, repairing, servicing or removing appliances or any class or classes thereof unless he is registered for the purpose.

(4) No person shall install, repair, service or remove or permit or cause to be installed, repaired, serviced or removed an appliance unless the installation, repair, service or removal is done by or under the supervision of a person who is licensed for such purposes. 1967, c. 25, s. 2.

(5) No person shall connect or have connected an appliance to a supply by pipe line of gas or fuel oil without first giving notice to the distributor of the gas or fuel oil of the address of the premises at which the installation is to be made and the type of appliance to be connected.

(6) Where a premises is connected for the first time to a supply by pipe line of gas or fuel oil, no person shall use an appliance connected to the supply of gas or fuel oil until the distributor of the gas or fuel oil has inspected the appliance.

(7) A distributor shall have free access, at all reasonable times and upon reasonable notice given and request made, to all parts of every building or other premises to which gas or fuel oil is supplied for the purpose of inspecting or repairing or of altering or disconnecting any appliance in or outside the building or for placing meters upon any pipe or connection in or outside the building as he considers expedient, and, for that purpose or for the purpose of protecting or regulating the use of a meter, may set it or alter the position of it, or of any pipe, and may alter or disconnect any pipe. 1964, c. 27, s. 7 (5-7).

9. Where an emergency exists within the meaning of The Emergency Measures Act, the Minister may, notwithstanding anything in this or any other Act, make such orders as he considers necessary to maintain the supply of gas to the public or any class or classes thereof. 1964, c. 27, s. 8.

10.—(1) Every person who,
(a) contravenes any provision of this Act or the regulations;
(b) unduly wastes or causes to be unduly wasted any gas or oil;
(c) tampers or interferes with any work or appliance without authority to do so;

(d) cuts, damages or interferes with a pipe line without authority to do so;

(e) knowingly makes a false statement in an application, return or statement or other material required under this Act or the regulations;

(f) fails to carry out the instructions of an inspector; or

(g) wilfully delays or obstructs an inspector in the execution of his duties under this Act or the regulations,

is guilty of an offence and on summary conviction is liable to a fine of not less than $100 and not more than $10,000 for each day over which the offence continues or to imprisonment for a term of not more than one year, or to both. 1964, c. 27, s. 9 (1); 1967, c. 25, s. 3.

(2) No information may be laid under this section without the written permission of the Minister in the form prescribed by the regulations. 1964, c. 27, s. 9 (2).

11.-(1) Subject to subsection 2 of section 7 of this Act and to section 21 of The Ontario Energy Board Act, the Minister may, in his discretion, with or without an examination of the applicant, grant or refuse to grant a licence or permit or effect or refuse to effect a registration, and he may, in granting a licence or permit or effecting a registration, impose such terms and conditions as he in his discretion considers proper, and, before granting a licence or permit or effecting a registration, he may refer the matter to the Board, and the Board shall hold a hearing and report to him thereon with its recommendations.

(2) The Minister may grant or refuse to grant a renewal of a licence in whole or in part, a renewal of a permit in whole or in part, or effect or refuse to effect a renewal of a registration in whole or in part, and he may, in granting a renewal of a licence or permit or in effecting a renewal of a registration, impose such terms and conditions as he in his discretion considers proper, but, where he refuses to grant a renewal of a licence or permit in whole or in part, or to effect a renewal of a registration in whole or in part, or, in granting a renewal of a licence or permit or effecting a renewal of a registration, imposes any term or condition that was not previously imposed, he shall, if requested by the applicant, refer the matter to the Board, and the Board shall hold a hearing and report to him thereon, and he shall grant or refuse to grant or effect or refuse to effect the renewal in accordance with the report.

(3) The Minister may in his discretion suspend a licence, permit or registration in whole or in part, or, at any time, impose on a licence, permit or registration such terms and conditions as
he in his discretion considers proper, but, before so doing, he may, or, after so doing, he shall, refer the matter to the Board, and the Board shall hold a hearing and report to him thereon, and he shall impose, continue or remove the suspension or impose, continue or remove the terms and conditions in whole or in part, or revoke the licence, permit or registration in whole or in part, in accordance with the report.

(4) Where a licence, permit or registration has had terms or conditions imposed on it or is revoked or suspended in whole or in part, the Minister shall notify the holder in writing at his last known address, by registered mail, of the imposition, revocation or suspension, and the holder shall forthwith forward to the Minister his licence, permit or registration certificate so that the terms or conditions or the revocation or suspension may be recorded thereon. 1964, c. 27, s. 10.

12.—(1) The Lieutenant Governor in Council may make regulations,

(a) for the conservation of gas or oil;

(b) prescribing areas where drilling for gas or oil is prohibited;

(c) prescribing the terms and conditions of gas and oil production leases and gas storage leases or any part thereof, and providing for the making of statements or reports thereon;

(d) regulating the location and spacing of wells;

(e) prescribing the methods, equipment and materials to be used in boring, drilling, completing or operating wells;

(f) requiring the keeping of drilling and production samples;

(g) requiring persons who drill wells to furnish reports, returns, geological and other information and samples;

(h) requiring dry or abandoned wells to be plugged or replugged, and prescribing the methods, equipment and materials to be used in plugging or replugging wells;

(i) prescribing the methods, equipment and materials to be used in shutting in wells;

(j) to provide for the designation of spacing units and regulating the location of wells in spacing units and requiring and regulating the joining of the various interests within a spacing unit for the purpose of drilling or operating a well;

(k) regulating the use of wells for the disposal of waste substances. 1964, c. 27, s. 11 (1); 1965, c. 37, s. 3; 1967, c. 25, s. 4 (1).
(2) The Lieutenant Governor in Council may make regulations,

(a) regulating the conditions of agreements between distributors and consumers;
(b) prescribing classes of appliances and regulating the type, design, construction, installation, repair, maintenance, replacement, inspection, use or removal of them, or any class of them;
(c) prohibiting the sale, installation or use of appliances, or any class of them;
(d) designating organizations to test appliances to specifications approved by the Minister, and, where the appliances conform to the specifications, to place their label thereon;
(e) requiring and providing for the inspection of appliances by distributors, and prescribing the frequency with which and the manner in which such inspection shall be made;
(f) providing for the registration of contractors, or any class of them, and prescribing their responsibilities;
(g) providing for the licensing of persons or classes of persons who may inspect, install, repair, service or remove appliances or pipe lines, and prescribing the acts that shall be performed by such persons personally;
(h) prescribing classes of meters and requiring and providing for the registration of meters, or any class of them;
(i) exempting any appliances, or any class of them, from the operation of or compliance with this Act or the regulations, or of any of the provisions thereof;
(j) regulating the installation, use, removal, storage, handling and filling of containers, including the piping and attachments thereto, for liquefied petroleum gas;
(k) prescribing the fee to be paid for the inspection of pipe lines and appliances, and prescribing by whom they shall be paid;
(l) prescribing classes of transmitters and distributors. 1964, c. 27, s. 11 (2); 1967, c. 25, s. 4 (2).

(3) The Lieutenant Governor in Council may make regulations,

(a) prescribing classes of hydrocarbons and classes of works;
(b) regulating the construction, erection, alteration, installation, removal, operation or maintenance of any work or appliance, or any class thereof;
(c) providing for the issue of licences, permits and labels;
(d) prescribing classes of licences, permits and labels, and prescribing the terms and conditions upon which licences, permits or labels may be issued or registrations made;
(e) prescribing the fee payable for any examination, licence, permit, label or registration;
(f) requiring and providing for the bonding or insuring of holders of licences, permits or registration certificates;
(g) requiring and providing for guarantees or other security by bond or other means that works commenced under permit will be completed in accordance with this Act, the regulations or any order of the Board;
(h) creating a fund to be known as the Abandoned Works Fund for the completion or removal of works and prescribing the procedures for payment of money into and out of the fund, and authorizing the Minister to complete or remove works and to recover the cost of so doing;
(i) permitting the sale by the Crown of abandoned works and permitting the application of the proceeds of the sale to expenses incurred in the doing of anything required to be done to or with the works;
(j) permitting the Crown to cause anything to be done that the Board has ordered any person to do, and permitting the Crown to recover expenses from such person;
(k) prescribing forms and tags, and providing for their use;
(l) requiring and providing for the keeping of records and the making of returns, statements or reports on the leasing, exploration, drilling for or production of gas or oil or the storage, distribution, transmission or manufacture of gas;
(m) exempting any person or any class of persons from the operation of or compliance with this Act or the regulations, or of any of the provisions thereof;
(n) respecting any matter necessary or advisable to carry out effectively the intent and purpose of this Act.

(4) The Lieutenant Governor in Council may make regulations regulating safety standards and requiring and providing for the keeping of safety records and the making of safety returns, statements or reports in the drilling for, production, manufacture, processing, refining, storage, measurement and consumption of gas, oil or fuel oil and in the transmission, distribution and carriage by pipeline of any hydrocarbon or any class thereof.
(5) Any regulation may adopt by reference, in whole or in part, Codes with such changes as the Lieutenant Governor in Council considers necessary, any code, and may require compliance with any code that is so adopted.

(6) Any regulation may designate any organization to authorize the use of its label on any work or appliance that complies with its code.

(7) Any regulation may be general or particular in its Scope of application. 1964, c. 27, s. 11 (3-7).

13.—(1) In the event of conflict between this Act and any other general or special Act, this Act, subject only to The Ontario Energy Board Act, prevails.

(2) This Act and the regulations prevail over any by-law passed by a municipality. 1964, c. 27, s. 12.