

The SaskEnergy Regulations

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Chapter S-35.1 Reg 1 (effective November 1, 1992) as amended by Saskatchewan Regulations [97/96](#), [95/97](#), [69/98](#), [90/2000](#), [89/2004](#), [90/2016](#), [6/2018](#) and [55/2018](#).

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 S-35.1 REG 1

The SaskEnergy Act

PART I

Title and Interpretation

Title

- 1 These regulations may be cited as *The SaskEnergy Regulations*.

Interpretation

- 2(1) In these regulations:

- (a) **“Act”** means *The SaskEnergy Act*;
- (b) **“applicant”** means an applicant for service;
- (c) **“cultivation”** means tillage or preparation of soil by mechanical agitation;
- (d) **“farm cultivation”** means cultivation on lands dedicated to the production of crops for sale, of commercial livestock or of commercial livestock feed;
- (e) **“ground disturbance”** means any work, operation or activity that results in a disturbance of the earth, including excavating, digging, trenching, cultivating, drilling, tunnelling, augering, backfilling, blasting, topsoil stripping, land levelling, peat removing, quarrying, clearing and grading;
- (f) **“mechanical excavation”** means any ground disturbance that is undertaken other than by hand digging or other means approved by the corporation or a subsidiary, but does not include a ground disturbance undertaken for the purpose of cultivation;
- (f.1) **“municipality”** means, for the purposes of sections 13.3 to 13.5, every city, town, village, northern village or resort village in Saskatchewan except those cities, towns, villages, northern villages or resort villages listed in Table 2;
- (g) **“service”** means any service provided by the corporation or any of its subsidiaries to a customer, including transmitting gas, providing and maintaining facilities and equipment to transmit gas and selling gas;
- (h) **“site disturbance”** includes:
 - (i) any excavation, drilling, installing or erecting of any pit, well, foundation, pavement, building or other structure or installation;

- (ii) any ground disturbance that reduces the depth of cover over the pipeline to a depth that is less than the cover provided when the pipeline was installed;
 - (iii) mechanical excavation below 0.30 metres in depth or over a pipeline;
 - (iv) cultivation below 0.30 metres in depth or farm cultivation below 0.45 metres in depth; and
 - (v) the tearing down, destroying, breaking up or razing of a structure or of the outer walls or principal supporting members of a structure;
- (i) **“subsidiary”** means any subsidiary of the corporation and includes TransGas.
- (2) For the purposes of section 36 of the Act, **“over”** or **“over or near”** a pipeline includes:
- (a) for pipelines used for the distribution of gas, as defined in section 23 of the Act, within the right of way of a pipeline or over or within 1.5 metres of the pipeline where no right of way exists;
 - (b) for pipelines used for the transportation of gas, as defined in section 60 of the Act, within the right of way of a pipeline or over or within five metres of the pipeline where no right of way exists.
- (3) For the purposes of the Act and these regulations, **“customer”** includes any person who:
- (a) accepts, uses or receives a service from the corporation or its subsidiary; or
 - (b) owns, controls or occupies land on which regulating equipment, as defined in section 6, is installed.
- (4) For the purposes of sections 23 and 24 of the Act:
- (a) **“distribution of gas”** means the movement of gas, by means of all gas pipeline facilities, that is:
 - (i) downstream of the outlet of the shut-off valves of gas transmission pipelines at stations where pressure reduction first occurs or at the point where the gas is unloaded from trailers, cascades, and similar mobile gas containers; and
 - (ii) upstream of the outlet of a metering point or some other point, as deemed by the corporation, where the gas is delivered to a person for consumption;
 - (b) **“metering point”** means the point at which gas is measured and physical possession of gas is transferred to a person for consumption;
 - (c) **“oilfield facility system”** means all the piping, process equipment, auxiliary devices and associated buildings involved with the extraction of oil from below the surface of the ground and with production processing before delivery to an oil transmission pipeline;

- (d) **“supply system”** means a piping system and associated control devices, other than a gas gathering and processing system as defined in clause (5)(b), through which gas is moved from the outlet of a metering point or, if there is no metering point, from a well where gas is produced, to equipment or appliances for consumption.
- (5) For the purposes of sections 60 and 61 of the Act:
- (a) **“enhanced oil recovery operation”** means an operation that uses methods to extract a larger portion of the oil located in a reservoir through the use of thermal or other stimulation techniques, including the introduction of gas, than is possible through conventional or primary wells, or waterflood;
- (b) **“gas gathering and processing system”** means an interconnected system consisting of all or any combination of flowlines, pipelines, meters, dehydrators, compressors and gas processing plants, where the system:
- (i) collects gas from gas wells, oilfield batteries or both; and
 - (ii) transfers the gas to the TransGas gas transmission pipeline at the location where TransGas agrees to receive the gas;
- (c) **“TransGas gas transmission pipeline”** means an existing TransGas gas transmission pipeline or a TransGas gas transmission pipeline that TransGas plans or agrees to construct;
- (d) **“transportation of gas”** means the movement of gas by means of any gas pipeline and compression facilities, if that movement is:
- (i) downstream of the point where physical possession of the gas is transferred to a gas transmission pipeline from:
 - (A) a gas gathering and processing system;
 - (B) a gas gathering system;
 - (C) an interconnected interprovincial or international gas transmission pipeline; or
 - (D) a gas storage facility; and
 - (ii) upstream of:
 - (A) the outlet of the shut-off valves of gas transmission pipelines at stations where pressure reduction first occurs; or
 - (B) the point where physical possession of the gas is transferred to:
 - (I) an interconnected interprovincial or international gas transmission pipeline;
 - (II) a consumer of gas in Saskatchewan who takes delivery of the gas from a gas transmission pipeline; or
 - (III) a gas storage facility.

PART II
Conditions of Service

Conditions before providing service

3(1) The corporation or any of its subsidiaries may demand and obtain from an applicant all or any of the following before the corporation or its subsidiary provides a service:

(a) a deposit or security interest in an amount and in a form which is acceptable to the corporation or its subsidiary;

(b) a contribution, in an amount and paid in a manner that is directed by the corporation or its subsidiary, towards the construction costs of any facility and the costs of acquiring any equipment required to provide the service;

(c) a queue deposit, in an amount and in a form which is acceptable to the corporation or its subsidiary, to maintain the applicant's priority position for service in the queue.

(2) The corporation and its subsidiaries are not liable to any applicant or customer for any interest on any deposit or security interest provided pursuant to subsection (1).

24 Dec 92 cS-35.1 Reg 1 s3; 2 Dec 2016 SR
 90/2016 s4.

Rules governing discontinuation of service

4(1) In this section and in section 5, "**discontinue**" means to discontinue for any period of time and for any reason.

(2) For the purposes of clause 35(1)(b) of the Act, the following are prescribed circumstances under which the corporation or any of its subsidiaries may discontinue any service to any customer or remove its property from the customer's premises:

(a) if the customer fails to comply with any terms and conditions set out in these regulations or set by the corporation or its subsidiary in any agreement;

(b) if, in the opinion of the corporation or its subsidiary, modifications or improvements are required to its or its subsidiary's gas system or related facilities or equipment;

(c) if, in the opinion of the corporation or its subsidiary, repairs or maintenance are required to its or its subsidiary's gas system or related facilities or equipment;

(d) if the customer is not primarily a customer using gas solely for heating purposes and, in the opinion of the corporation or its subsidiary, service must be interrupted in order to maintain service to customers using gas solely for heating purposes;

(e) if, in the opinion of the corporation or its subsidiary, service must be interrupted for safety reasons;

(f) if, in the opinion of the corporation or its subsidiary, the customer is tampering or has tampered with equipment or facilities owned by the corporation or its subsidiaries;

- (g) if the contract relating to the supply of the service is terminated;
- (h) if the customer discontinues use of the service;
- (i) if the customer makes an assignment in bankruptcy or is insolvent; or
- (j) if the customer fails to provide any deposit or security interest requested by the corporation or its subsidiaries.

24 Dec 92 cS-35.1 Reg 1 s4; 2 Dec 2016 SR
90/2016 s5.

Reconnection fees and security deposits

5(1) If service to a customer is discontinued for a reason described in section 4 or at the request of the customer, the corporation or any of its subsidiaries may require the customer to do all or any of the following before restoring service:

- (a) pay a reconnection fee in an amount that the corporation or its subsidiary considers appropriate;
- (b) provide a deposit or security interest in an amount and in a form that the corporation or its subsidiary considers appropriate.

(2) A reconnection fee paid or deposit provided pursuant to subsection (1) is in addition to any other fees or deposits that the corporation or its subsidiary may require pursuant to the Act, these regulations or the terms of any contract between the customer and the corporation or its subsidiary.

24 Dec 92 cS-35.1 Reg 1 s5; 2 Dec 2016 SR
90/2016 s6.

Regulating equipment

6(1) In this section and in section 7, “**regulating equipment**” means any equipment and related facilities that the corporation or any of its subsidiaries requires to measure or regulate gas provided to a customer and includes pipes, service pipes, meters and regulators used for those purposes.

(2) The corporation and any of its subsidiaries may install on a customer’s premises any regulating equipment that the corporation or its subsidiary considers necessary to measure or regulate gas that is:

- (a) supplied by the corporation or its subsidiary; or
- (b) used by, delivered to or received on the behalf of the customer.

(3) All regulating equipment located on a customer’s premises is the property of the corporation or its subsidiary.

(4) The corporation or its subsidiary is responsible for damages to the regulating equipment that are caused by ordinary wear and tear or by the negligence of the corporation, its subsidiary or any of their officers, directors, employees or agents.

(5) The customer shall pay for damage to the regulating equipment that is caused by the negligence or by the deliberate action of the customer.

(6) The corporation and its subsidiary may enter on a customer’s premises at any reasonable time and may dig out, locate, install, repair, replace, maintain, remove and inspect the regulating equipment.

(7) Notwithstanding subsection (6), if, in the opinion of the corporation or its subsidiary, there is an immediate danger to the health or safety of any individual or the safety of any property, the corporation or its subsidiary may immediately enter on a customer's premises and may dig out, locate, install, repair, replace, maintain, remove and inspect the regulating equipment.

(8) No customer shall allow any person, other than the corporation, its subsidiary or any of their employees and agents, to alter, modify, remove or interfere with any of the regulating equipment.

24 Dec 92 cS-35.1 Reg 1 s6.

Moving or altering regulating equipment

7(1) If a customer wishes to move or alter any regulating equipment installed by the corporation or any of its subsidiaries on the customer's premises, the customer shall apply in writing to the corporation or its subsidiary setting out details of the proposed move or alteration.

(2) On receipt of a written application pursuant to subsection (1), the corporation or its subsidiary may refuse the request or grant the request and impose any condition on the move or alteration that the corporation or its subsidiary considers necessary.

(3) If the corporation or its subsidiary agrees to perform the requested work related to moving or altering the regulating equipment, the corporation or its subsidiary may require the customer to pay all or any part of the costs of the move or alteration before the work has begun.

24 Dec 92 cS-35.1 Reg 1 s7.

Distribution site disturbance

7.1 In the case of pipelines used for the distribution of gas, as defined in section 23 of the Act, no person shall:

- (a) undertake a site disturbance within the right of way of the pipeline without the consent of the corporation or its subsidiary;
- (b) where no right of way exists, undertake a site disturbance over or within 1.5 metres of the pipeline without the consent of the corporation or its subsidiary.

2 Dec 2016 SR 90/2016 s7.

Transmission site disturbance

7.2 In the case of pipelines used for the transportation of gas, as defined in section 60 of the Act, no person shall:

- (a) undertake a site disturbance within the right of way of a pipeline without the consent of the corporation or its subsidiary;
- (b) undertake a site disturbance within 10 metres of the right of way of a pipeline or, where no right of way exists, over or within 15 metres of the pipeline without the consent of the corporation or its subsidiary;

(c) operate a motor vehicle or equipment across a pipeline at a point that is not within the upgraded and travelled portion of a highway or public road without obtaining consent from the corporation or its subsidiary unless:

- (i) the motor vehicle or equipment is used for farming operations;
- (ii) the motor vehicle is a snowmobile, all-terrain vehicle, motorcycle miniature motor vehicle or other vehicle specifically designed for off-road use; or
- (iii) the motor vehicle is used solely for personal transportation and has a nominal chassis rating of not greater than three-quarters of a ton.

2 Dec 2016 SR 90/2016 s7.

Hand exposure of pipeline, etc.

7.3(1) If an operation is to be undertaken by a person involving a ground disturbance within 0.60 metres of an existing pipeline, the person shall ensure that the pipeline is exposed by hand digging or other method approved by the corporation or its subsidiary before mechanical excavation is allowed to commence within that area.

(2) If an operation mentioned in subsection (1) exposes a pipeline, the person undertaking that operation shall ensure that the pipeline is supported in order to prevent any damage during backfilling and any subsequent settlement of the ground.

(3) If, during the operation mentioned in subsection (1), there is contact with or damage to an underground pipeline, the person undertaking the operation shall immediately notify the corporation or its subsidiary that the contact or damage has occurred.

2 Dec 2016 SR 90/2016 s7.

PART III

Payments in Lieu of Taxes

Repealed. 2 Feb 2018 SR 6/2018 s3.

PART III.1

Municipal Surcharge

Definitions for Part

13.1(1) In this Part:

- (a) **“cost of gas”** means the cost of gas as determined pursuant to section 13.2;
- (b) **“delivery service customer”** means a customer of the corporation, other than a full service customer, who has entered into a contract with the corporation for delivery service, including distribution, storage and transportation of gas by the corporation and its subsidiary, if the gas is not sold to the customer by the corporation;

- (c) **“direct sale customer”** means a customer of a subsidiary who has entered into a contract with the subsidiary for the transportation of gas by the subsidiary, if the gas is not sold by the corporation;
- (d) **“full service customer”** means a customer who has entered into a contract with the corporation for the sale and delivery of gas;
- (e) **“surcharge base amount”** means the amount calculated pursuant to subsection (2);
- (f) **“TransGas energy pool”** means a notional hub that contains a collection of customer energy accounts that relate to the movement of gas from a point of receipt to a point of delivery on the TransGas transmission system through this notional hub.

(2) Subject to subsection (3), for the purposes of clause (1)(e), the surcharge base amount is:

(a) with respect to a direct sale customer:

(i) if there is no written agreement between the direct sale customer and the municipality as described in subclause (ii), the amount SB determined in accordance with the following formula:

$$SB = (CG \times GJ) + TC$$

where:

CG is the cost of gas applicable to the direct sale customer, expressed in dollars per gigajoule;

GJ is the amount of gas, measured in gigajoules, delivered to the direct sale customer during the month for which the calculation is being made; and

TC is the amount paid by the direct sale customer to the corporation or its subsidiary for transporting the gas from the TransGas energy pool to the direct sale customer’s point of delivery during the month for which the calculation is being made; or

(ii) if there is a written agreement between the direct sale customer and the urban municipality in which the direct sale customer resides or carries on business that governs the determination of the surcharge base amount and a copy of the agreement is filed with the corporation or its subsidiary, the amount as determined in the written agreement;

(b) with respect to a delivery service customer, the amount SB determined in accordance with the following formula:

$$SB = (CM \times G) + DC$$

where:

CM is the cost of gas applicable to the delivery service customer;

G is the amount of gas delivered to the delivery service customer during the period for which the calculation is being made; and

DC is the gross revenue to the corporation from deliveries of gas to the delivery service customer during the period for which the calculation is being made; and

- (c) with respect to a full service customer, the gross revenue of all gas sales and deliveries by the corporation to the full service customer during the period for which the calculation is being made.
- (3) For the purposes of subsection (2), in calculating the surcharge base amount, the goods and services tax collected on behalf of the Government of Canada or any other tax levied on goods or services that is lawfully imposed by, and collected on behalf of, the Government of Canada or the Government of Saskatchewan is not to be included.

2 Feb 2018 SR 6/2018 s4.

Cost of gas

13.2(1) For a direct sale customer:

- (a) if there is a written agreement between the direct sale customer and the urban municipality in which the direct sale customer resides or carries on business that sets the cost of gas and a copy of the written agreement is filed with the corporation or its subsidiary, the cost of gas is deemed to be the total of:
- (i) the cost of gas as determined pursuant to the agreement; and
 - (ii) the average gross revenue received by the corporation or its subsidiary for transporting the gas from the point of receipt to the TransGas energy pool during the month for which the calculation is being made; and
- (b) if there is no agreement described in clause (a), the cost of gas is deemed to be the total of:
- (i) the provincial average gas price, as set by the minister responsible for the administration of *The Oil and Gas Conservation Act* for the month before the month for which the cost of gas will apply; and
 - (ii) the average gross revenue received by the corporation or its subsidiary for transporting the gas from the point of receipt to the TransGas energy pool during the month for which the calculation is being made.
- (2) For a delivery service customer:
- (a) if there is a written agreement between the corporation and a commodity seller that the corporation shall provide billing services to the delivery service customer on behalf of the commodity seller, the cost of gas is the actual gas consumption charge billed to the delivery service customer during the period for which the calculation is being made; and
- (b) if there is no agreement described in clause (a), the cost of gas is deemed to be the corporation's gas consumption charge applicable to full service customers during the period for which the calculation is being made.

2 Feb 2018 SR 6/2018 s4.

Surcharge for full service customers in municipalities

13.3(1) For the purposes of section 44.1 of the Act, the corporation shall include a surcharge in accordance with this section for municipalities respecting the full service customers in each of those municipalities.

(1.1) All urban municipalities in Saskatchewan are subject to the surcharge mentioned in subsection (1) except for those urban municipalities that have opted out of the collection and receipt of the surcharge payment, as listed in Table 2.

(2) Subject to section 13.6, the surcharge with respect to a full service customer in a municipality mentioned in subsection (1) is the amount S calculated in accordance with the following formula:

$$S = SR \times SB$$

where:

SR is 5% for municipalities; and

SB is the surcharge base amount for the full service customer.

2 Feb 2018 SR 6/2018 s4; 24 Aug 2018 SR
55/2018 s4.

Surcharge for delivery service customers in municipalities

13.4(1) For the purposes of section 44.1 of the Act, the corporation shall include a surcharge in accordance with this section for municipalities respecting the delivery service customers in each of those municipalities.

(2) Subject to section 13.6, the surcharge with respect to a delivery service customer in a municipality mentioned in subsection (1) is the amount S calculated in accordance with the following formula:

$$S = SR \times SB$$

where:

SR is 5% for municipalities; and

SB is the surcharge base amount for the delivery service customer.

2 Feb 2018 SR 6/2018 s4; 24 Aug 2018 SR
55/2018 s5.

Surcharge for direct sale customers in municipalities

13.5(1) For the purposes of section 44.1 of the Act, the corporation or any of its subsidiaries shall include a surcharge with respect to each direct sale customer in a municipality.

(2) Subject to section 13.6, the surcharge with respect to a direct sale customer in a municipality mentioned in subsection (1) is the amount S calculated in accordance with the following formula:

$$S = SR \times SB$$

where:

SR is 5% for municipalities;

SB is the surcharge base amount for the direct sale customer.

2 Feb 2018 SR 6/2018 s4; 24 Aug 2018 SR
55/2018 s6.

Amounts not included in calculations

13.6(1) Subject to subsection (2), in calculating amounts pursuant to section 13.3, 13.4 or 13.5, the surcharge base amount is not to include the following:

- (a) gas used by the corporation, its subsidiaries, the Government of Saskatchewan or the Government of Canada or any agencies of the Government of Saskatchewan or the Government of Canada;
 - (b) gas used by any customer who, in the estimation of the corporation or any of its subsidiaries, is using or will use more than 100,000 m³ of gas annually;
 - (c) gas sold in a gas sale that the corporation or any of its subsidiaries designates as a special gas sale;
 - (d) gas used by The University of Regina;
 - (e) within the City of Weyburn, gas used in relation to the operation of the premises of the former Saskatchewan Hospital;
 - (f) gas used by the University of Saskatchewan;
 - (g) within the City of Saskatoon, gas used by SaskPower for the operation of its power plant.
- (2) Clause (1)(b) does not apply to gas used by any customer who resides or carries on business in a municipality designated in Table 3 of the Appendix.

2 Feb 2018 SR 6/2018 s4; 24 Aug 2018 SR 55/2018 s7.

Customers' accounts, etc.

13.7(1) In this section and in section 13.8, "**surcharges**" means the surcharges mentioned in section 13.3, 13.4 and 13.5.

(2) The corporation or its subsidiary shall cause the surcharges to be added to the accounts of its customers.

(3) If it collects all or any part of the amount of the surcharge from the customer, the corporation or its subsidiary shall remit the amount collected to the municipality, or to the Minister of Finance for deposit in the general revenue fund, as the case may be, in accordance with section 13.8.

(4) **Repealed.** 24 Aug 2018 SR 55/2018 s8.

2 Feb 2018 SR 6/2018 s4; 24 Aug 2018 SR 55/2018 s8.

Payment of surcharges

13.8 The corporation or its subsidiary shall pay the surcharges that are collected:

(a) **Repealed.** 24 Aug 2018 SR 55/2018 s9.

(b) in the case of the amounts to be paid to a municipality, at the time and in the manner that the municipality and the corporation agree.

2 Feb 2018 SR 6/2018 s4; 24 Aug 2018 SR 55/2018 s9.

13.9 Repealed. 24 Aug 2018 SR 55/2018 s10.

PART IV
Coming into force

Coming into force

14 These regulations come into force on the day on which they are filed with the Registrar of Regulations, but are retroactive and are deemed to have been in force on and from November 1, 1992.

24 Dec 92 cS-35.1 Reg 1 s14.

Appendix

TABLE 1
[Sections 13.3 to 13.5]

Name of Municipality

Repealed. 24 Aug 2018 SR 55/2018 s11.

TABLE 2
[Subsection 13.3(1.1)]

Name of Municipality

Northern Village of Air Ronge

Resort Village of B-Say-Tah

Resort Village of Big Shell

Resort Village of Bird's Point

Resort Village of Candle Lake

Resort Village of the District of Katepwa

Resort Village of Echo Bay

Resort Village of North Grove

Resort Village of Saskatchewan Beach

Resort Village of Shields

Resort Village of Sun Valley

Resort Village of Thode

Resort Village of Tobin Lake

Resort Village of Wakaw Lake

Resort Village of Wee Too Beach

Town of Grand Coulee

Town of Francis

Town of Pense

Town of White City

Town of Wolseley
Village of Atwater
Village of Belle Plaine
Village of Caronport
Village of Conquest
Village of Denholm
Village of Dodsland
Village of Drinkwater
Village of Dysart
Village of Edam
Village of Elbow
Village of Goodwater
Village of Lake Alma
Village of Lebret
Village of Limerick
Village of Macoun
Village of Marengo
Village of McLean
Village of Neilburg
Village of Pierceland
Village of Quill Lake
Village of Sedley
Village of Senlac
Village of Shamrock
Village of Shell Lake
Village of Stockholm
Village of Tessier
Village of Tuxford

TABLE 3
[Section 13.6]

Name of Municipality

City of Estevan
City of Humboldt
City of Melfort
City of Melville
City of Moose Jaw
City of North Battleford
City of Prince Albert
City of Regina
City of Saskatoon
City of Swift Current
City of Weyburn
City of Yorkton

24 Aug 2018 SR 55/2018 s11.

TABLE 4
[Section 13.7]

Repealed. 24 Aug 2018 SR 55/2018 s11.