

BYLAW NO. 2489

CONSOLIDATION OF A BYLAW OF THE CITY OF MEDICINE HAT to regulate and control the production, distribution and use of natural gas in the Service Area of the City of Medicine Hat's Gas Utility.

WHEREAS the City of Medicine Hat is carrying on the operation of a Gas Utility;

AND WHEREAS it is expedient to provide Bylaws to regulate and control the production, distribution and use of natural gas within the area serviced by the City of Medicine Hat;

NOW, THEREFORE, THE MUNICIPAL CORPORATION OF THE CITY OF MEDICINE HAT IN COUNCIL ASSEMBLED ENACTS AS FOLLOWS:

Amended
by:
Bylaw
4801
Oct 7,
2024

1. Unless the context otherwise requires:
 - (a) **"Abandoned Service"** means a service disconnected from the underground main and removal of the above ground riser.
 - (b) **"Agent"** means the authorized representative of the Consumer.
 - (c) **"Bylaw Enforcement Officer"** means any natural Person employed by the City as a police officer, bylaw enforcement officer or community peace officer.
 - (d) **"Chief Administrative Officer"** or **"CAO"** means the chief administrative officer for the City, operating under the title City Manager, and includes any Employee to whom the City Manager's powers are delegated, or any Employee designated to act as City Manager in the absence of the City Manager.
 - (e) **"City"** means the Municipal Corporation of the City of Medicine Hat and, where the context requires, its Service Area.
 - (f) **"Consumer"** means a user of natural gas supplied by the Gas Utility.
 - (g) **"Council"** means the Council of the City of Medicine Hat.
 - (h) **"Direct Seller"** means a Person other than the City who sells gas to a Consumer or to another Person who purchases the gas as an Agent of the Consumer.
 - (i) **"Employee"** means all employees and contractors of the City, and specifically includes, but is not limited to, designated officers of the City, office employees, gas field employees and contracted representatives and agents.
 - (j) **"Gas Distribution System"** includes plant, machinery, equipment, appliances and devices of every kind and description that are used or intended to be used in the production, transmission, distribution, delivery, use, or metering of natural gas within the natural gas Service Area of the City of Medicine Hat.
 - (k) **"Gas Inspection Authority"** means one or more safety codes officers authorized and having jurisdiction pursuant to the *Safety Codes Act* RSA 2000 Chapter S-1 to carry out the powers of safety codes officers with respect to gas systems, as amended from time to time.

- (l) **"Gas Utility"** means the Department, or Departments, of the City of Medicine Hat charged with the production, distribution and supply of natural gas.
- (m) **"Ground Disturber"** has the meaning set out in Section 27 of this Bylaw.
- (n) **"MGA"** means the *Municipal Government Act* RSA 2000, c. M-26, as amended or replaced from time to time.
- (o) **"Natural Gas Service"** includes the natural gas service line as well as the associated regulating and metering equipment that is required by the Gas Utility.
- (p) **"Person"** includes a partnership and/or corporation as well as a natural person.
- (q) **"Point of Supply"** from the Gas Utility means the outlet flange of the meter, or the regulator if the regulator is preceded by the meter.
- (r) **"Property Owner"** means a Person who has an interest in the property for which the service is being or has been installed.
- (s) **"Service Area"** means the lands contained within the corporate areas of the City of Medicine Hat and Town of Redcliff and such portions of Cypress County as may be designated from time to time by the Alberta Utilities Commission.
- (t) **"Single Detached House and Semi-detached Dwelling"** means a residential building designed and built to contain no more than two (2) dwelling units.
- (u) **"Utility Bill"** means a utility bill as defined in City Bylaw No. 3210, the Utilities Penalty Bylaw, as amended or replaced from time to time.

2. The Schedules attached to this Bylaw are incorporated into and form part of this Bylaw

APPLICATION

3. This Bylaw shall regulate the supply and use of all natural gas within the City of Medicine Hat Service Area.

OPERATION OF GAS UTILITY

4. Subject to the right of a Consumer to obtain a supply of gas from a Direct Seller pursuant to the MGA, no Person other than the City shall operate a gas utility within the boundaries of the City without the City's prior written approval, which approval the City may withhold in its sole discretion.

CONNECTION, DISCONNECTION, RECONNECTION

5. No Natural Gas Service shall be supplied to a Consumer unless and until the City's "Application for Service" form has been completed at the Customer Care & Billing Department of the City and the applicable fee specified in Schedule "B" of this Bylaw has been paid.
6. Any applicant who requests service at a location that is in an area which at the time of application is not adequately served by the Gas Distribution System, as determined by the

Amended
by:
Bylaw
3870
Dec 16,
2008

Amended
by:
Bylaw
4801
Oct 7,
2024

Gas Utility, may be required by the Gas Utility to pay:

- (a) a fee as established by the Gas Utility; or;
 - (b) the actual cost of the extension required for such service as calculated by the Gas Utility.
7. Any Person desiring to install pipes or connect any other apparatus for the use of natural gas supplied by the Gas Utility shall, before commencing or doing any natural gas construction work of any kind, obtain a permit from the Gas Inspection Authority and all inspections and installations shall be carried out in accordance with the *Safety Codes Act* RSA 2000, Chapter S-1, as amended or replaced from time to time.
8. No new service, reconnection (except for a reconnection pursuant to Section 14 of this Bylaw) or service alteration shall be connected by the Gas Utility until an approved permit, issued by the Gas Inspection Authority, is presented to the Gas Utility.
9. The Gas Utility shall disconnect any service if required in writing by the Gas Inspection Authority and in such case, the City, its councillors, Employees, agents, and contractors shall not be liable for damages of any kind, whether direct, consequential or otherwise, resulting from such disconnection. From and after twelve (12) months following the date of disconnection, the Gas Utility may take such steps as are necessary to render any service that has not been allowed back into active service by the Gas Inspection Authority an Abandoned Service.
10. Any Person applying for natural gas construction work of any kind, except for a Single Detached House and Semi-detached Dwelling, shall, when required by the Gas Inspection Authority, submit complete plans and specifications of the gas construction work to the Gas Utility. All plans and specifications must comply with the requirements of the then current Canadian Standards Association Installation Code and shall be approved by the Gas Inspection Authority. No changes or additions to the proposed natural gas construction shall be permitted subsequent to the granting of a permit until the said changes or additions have been reviewed by the Gas Utility and approved by the Gas Inspection Authority.
11. No Person other than an Employee of the Gas Utility shall disturb, connect to, operate, or cause to operate, or move any equipment, piping, gas meter, tag, notice or seal owned by the Gas Utility. No Person other than an Employee of the Gas Utility shall alter, adjust or disturb the pressure setting of any gas regulating or pressure relief equipment.
12. The City may disconnect the service to a Consumer who has failed to pay any rates or charges set out in a Utility Bill for a period of sixty (60) days from the date that the rates and charges became payable. The City, its councillors, Employees, agents, and contractors shall not be liable for any damages of any kind, whether direct, consequential or otherwise, resulting from such disconnection.
13. The Gas Utility shall be under no obligation to supply gas to any Person until any and all amounts owing to the Gas Utility by the Person, including but not limited to the fees and charges stipulated in Schedule "B" for transfer, disconnection, and reconnection, as the case may be, have been paid in full.
14. The City reserves the right to disconnect the supply of natural gas to any Consumer violating any of the provisions of this Bylaw. Reconnection of service will only occur once the Consumer is compliant with all provisions of this Bylaw. The City, its councillors,

Employees, agents, and contractors shall not be liable for any damages of any kind, whether direct, consequential or otherwise, resulting from such disconnection.

OWNERSHIP

15. All gas meters and pressure regulating equipment owned by the City shall, when installed, be and remain the property of the City and may be removed or replaced from time to time by the Gas Utility irrespective of whether it has become a fixture or a chattel real by virtue of having been installed.

RELOCATIONS OR REMOVALS

16. Any Person desiring the removal or relocation of any of the Gas Utility's services, mains or other equipment that are part of the Gas Distribution System shall request the Gas Utility to carry out such removal or relocation, as the case may be, and the Person shall not undertake such removal or relocation, as the case may be. If the Gas Utility determines it can carry out the requested removal or relocation without undue interference to the Gas Distribution System, the Gas Utility will carry out the requested removal or relocation, as the case may be, and may charge the Person for all costs associated with such removal or relocation. In addition, the Gas Utility may require a deposit from the Person before commencing the work for such removal or relocation.

CAPACITY

17. The service connection, meters, and regulating equipment supplied by the Gas Utility for each Consumer have a definite capacity. A Consumer or their Agent shall obtain the prior written approval of the Gas Utility to any proposed change to their connected load and shall not change their connected load without the prior approval of the Gas Utility. The failure of the Consumer or their Agent to obtain the Gas Utility's approval as required in this Section shall render the Consumer liable to the City for any damages the City sustains as a result of or relating to the Consumer changing their connected load, including but not limited to, for direct and consequential or other damages, which includes, without limitation, costs the City incurs to upgrade either or both of the service and meter to meet the Consumer's new connected load.

ACCESS

18. Each Consumer and each Property Owner shall provide the Gas Utility with free and unfettered access to all infrastructure owned or operated by the Gas Utility which is located on the Consumer's or Property Owner's property up to the Point of Supply. This includes, without limitation, all valves, regulators, revenue meters and any other facilities owned or operated by the Gas Utility on the Consumer's or Property Owner's property.
19. No Consumer or Property Owner shall prevent or obstruct, or do anything that may prevent or obstruct, the Gas Utility in accessing the Gas Utility's infrastructure up to the Point of Supply.
20. A Consumer upon whose property any gas meter or pressure regulating equipment is located shall reimburse the City for any costs the City incurs to remedy any damage which may occur to such gas meter or pressure regulating equipment.
21. The City may, in the event any of its Employees are unable to gain admission to the property of a Consumer for the purpose of reading the meter, send an estimated Utility Bill

based upon the Gas Utility's estimating procedures. If a meter reading is not obtained for a period of three (3) consecutive months because the Gas Utility's Employees did not gain admission to the property of the Consumer during such period, then the Gas Utility may disconnect the service. The City, its councillors, Employees, agents, and contractors shall not be liable for any damages of any kind, whether direct, consequential or otherwise, resulting from such disconnection.

RATES AND CHARGES

22. The rate classes for Consumers are set out in Schedule "A" to this Bylaw.
23. The rates, charges and fees:
 - (a) for Natural Gas Service are set out in Schedules "A" and "B" to this Bylaw,
 - (b) set out in Schedule "A" to this Bylaw will be invoiced to a Consumer on a Utility Bill and are payable and subject to penalties in accordance with the provisions of City Bylaw No. 3210, the Utilities Penalty Bylaw,
 - (c) set out in Schedule "B" to this Bylaw are payable in accordance with the provisions of Schedule "B".
24. Gas metering readings shall not be combined, which means the consumptions and demands of two or more meters cannot be added or subtracted and billed as one meter reading.
25. The City may collect all gas service charges, rates, or rents for the supply of natural gas pursuant to the provisions of the MGA by action in any court of competent jurisdiction or by distress.

METERING DISPUTES

26. Metering disputes will be resolved in accordance with Measurement Canada regulations relating to natural gas meter disputes.

GROUND DISTURBANCES

27. Before a Person commences any ground disturbance, the Person wishing to commence the ground disturbance (the "Ground Disturber") shall obtain locates in advance to determine the location of all gas lines. The Ground Disturber shall not commence any ground disturbances without obtaining locates in advance to determine the location of all gas lines. When damage occurs as a result of activities by or for the Ground Disturber, any necessary repairs, replacements, and backfilling will be completed by the Gas Utility, the Ground Disturber shall pay the Gas Utility the actual costs of such repairs, replacements, and backfilling, and at no time shall the Ground Disturber attempt any such repairs, replacements or backfilling.

LIMITATIONS OF CITY'S LIABILITIES

28. The City, its councillors, Employees, contractors, and agents shall not be liable for damages of any kind, whether direct, consequential or otherwise, resulting from the use or misuse of natural gas or Natural Gas Service by the Consumer or Property Owner or from natural gas faults on the Consumer's or Property Owner's piping system, appliances, or any other apparatus connected to the Natural Gas Service.

29. The City will use reasonable diligence to provide a regular and uninterrupted supply of service. However, should the supply be interrupted or fail by any cause or causes whatsoever, the City, its councillors, Employees, contractors, and agents shall not be liable for damages of any kind, whether direct, consequential or otherwise, resulting from such interruption or failure.

DELEGATION OF AUTHORITY

30. The Chief Administrative Officer may establish the:
- (a) terms and conditions, and
 - (b) rates, charges or tolls that are applicable to the transportation of natural gas supplied by a Direct Seller for delivery to a Consumer by means of the Gas Distribution System.
31. The CAO may approve rates and charges for the installation of Natural Gas Service by the Gas Utility.
32. The CAO may establish local procedural and technical natural gas standards and meter regulations, which, once established, will be binding on Consumers, Property Owners, and Direct Sellers.
33. The CAO may delegate any of the City Manager's powers, duties or functions under this Bylaw to an Employee.

RATE CHANGES

34. Subject to Sections 30 and 31 of this Bylaw, no amendment, addition or change affecting rates or charges shall be made to this Bylaw or the Schedules hereto, except for taxes which are levied by a legal body, unless after first reading and prior to final passage of any amendment, addition or change the following things are done:
- (a) Notice of Amendment, Addition or Change is published in a newspaper of general circulation in the City of Medicine Hat,
 - (b) Copies of all changes are made available to the general public at City Hall, at the office of the City Clerk, and
 - (c) An opportunity is provided for all interested parties to be heard by Council.

BYLAW ENFORCEMENT

35. Where a Bylaw Enforcement Officer believes on reasonable and probable grounds that a Person has contravened any provision of this Bylaw, the Bylaw Enforcement Officer may commence proceedings by issuing a summons or offence notice by means of a violation ticket in accordance with Part 2 or Part 3 of the *Provincial Offences Procedure Act* R.S.A. 2000 c. P-34. The specified penalty in respect of a contravention of this Bylaw is the amount set out in Schedule "C" of this Bylaw.
36. Pursuant to subsection 27(2)(d) of the *Provincial Offences Procedure Act*, if the violation ticket issued by a Bylaw Enforcement Officer under Section 35 of this Bylaw so provides, the Person named in a ticket may make a voluntary payment in the specified amount set out in Schedule "C" of this Bylaw, and upon making the voluntary payment, that Person is not required to appear before a justice to answer the ticket.
37. A Person who contravenes any provision of this Bylaw is guilty of an offence and liable

upon conviction to pay a fine of not less than the minimum penalty set out in Schedule "C" of this Bylaw and not more than Ten Thousand Dollars (\$10,000.00) or in default of payment to imprisonment for a period of not more than one (1) year.

38. Payment of any fine or imprisonment for any period of time, pursuant to the provisions of this Bylaw, shall not relieve any Person from the obligation to pay any fees, charges or costs for which that Person is liable under the provisions of this Bylaw.
39. Payment of any fine or imprisonment for any period as provided for in this Bylaw shall not relieve any Person from any civil liability whatsoever which may arise by reason of that Person's contravention of any provision of this Bylaw.

GENERAL

40. Notwithstanding the provisions of this Bylaw, in all commercial projects where the owner has issued a tender for the said project prior to the enactment of this Bylaw, the installation of the Natural Gas Service must conform to the Gas Utility's design and drawings.
41. Headings are inserted in this Bylaw for convenience of reference only and shall not affect the construction or interpretation of this Bylaw.
42. Reference to a statute, regulation, bylaw, code, guidelines, or handbook under this Bylaw includes such statute, regulation, bylaw, code, guidelines, or handbook as amended or replaced from time to time.

SEVERABILITY

43. If any provision of this Bylaw is declared invalid for any reason by a court of competent jurisdiction, all other provisions of this Bylaw will remain valid and enforceable.
44. Bylaw No. 1642 and all amendments thereto are hereby repealed.
45. This Bylaw shall take effect on August 1st, 1986.

READ A FIRST TIME in Open Council this 20th day of May, A.D. 1986.

READ A SECOND AND THIRD TIME AND FINALLY PASSED in Open Council this 10th day of June, A.D. 1986.

SCHEDULE “A” TO BYLAW 2489
AS AMENDED BY BYLAW NO. 4865
(Effective January 1, 2026)

GENERAL SERVICE NATURAL GAS RATES (ALL CLASSES)

1. RATE CLASSES

RATE CLASS A - General Service – Core market distribution Consumers using up to 5,000 Gigajoules in one year.

RATE CLASS B - Large Use General Service – Core market distribution Consumers using more than 5,000 Gigajoules in one year.

RATE CLASS C - High Pressure Service – Consumers or third parties who utilize the City’s high pressure Gas Distribution System to transport natural gas to their premises.

RATE CLASS D - Wheeling High Pressure Service – Consumers or third parties who utilize the City’s high pressure Gas Distribution System to transport natural gas to the Trans Canada Pipeline system.

2. RATES AND CHARGES

The 2026 rates and charges for services provided by the Gas Utility are as follows and will remain in effect until amended or repealed:

Rate Class	Administration Charge	Distribution Tariff		Commodity Charge	Environmental Conservation Charge	Municipal Consent & Access Fee (MCAF)
		Service Charge	Delivery Charge			
Rate Class A - Residential	\$0.0880 / day	\$0.8390 / day	\$1.627 / GJ	See Note (1)	\$0.90 / GJ - additional charge for gas in excess of 19 GJs / Month	See Note (2)
Rate Class A – Commercial, Industrial, and other Non-Residential	\$0.0880 / day	\$0.8390 / day	\$1.627 / GJ	See Note (1)	-----	See Note (2)
Rate Class B –Commercial, Industrial, and other Non-Residential	\$2.5970 / day	\$20.72 / day	\$0.744 / GJ	See Note (1)	-----	See Note (2)
Rate Class C –High Pressure Service	-----	\$58.96 / day	\$0.327 / GJ	-----	-----	See Note (2)
Rate Class D –Wheeling High Pressure Service	-----	-----	\$0.327 / GJ	-----	-----	See Note (2)

NOTES:

- (1) The Commodity Charge payable for the supply of natural gas shall be a per gigajoule (GJ) charge, adjusted monthly, that is equal to the Market Reference Price, which is the weighted average cost of the City's natural gas purchases for the month of consumption, as determined by the CAO or delegate, plus \$0.07/GJ which represents energy procurement charges and a return margin. The Commodity Charge will be published monthly on the City's website.
 - (a) A Consumer is responsible to pay all rates and charges applicable to the Consumer's rate classification.
- (2) The MCAF is a franchise charge set by the City of Medicine Hat to access municipal land to construct, operate and maintain distribution systems serving City customers. The 2026 MCAF is 20.25% of the monthly Distribution Tariff Charge.
- (3) Multiple Unit Residential Development (e.g. fourplex, apartment building, condominium building) served by a single meter will be deemed to be Commercial for purposes of determining the applicable Rate Class.
- (4) Each year prior to December 31, the Gas Utility will determine the Rate Class that will be applicable for the following year. In the case of Rate Class A and Rate Class B, the determination will be based on the total volume of gas consumed by the Consumer from November 1 of the previous year to October 31 of the current year.

In the case of

 - (a) a new Consumer who has not consumed gas from the Gas Utility, or
 - (b) a Consumer who has consumed gas from the Gas Utility for a period of time less than November 1 of the previous year to October 31 of the current year,

the Gas Utility will decide whether to apply Rate Class A or Rate Class B based on the Gas Utility's estimate of the anticipated customer load.

3. COUNCIL APPROVED RATE ADJUSTMENTS

- 3.1 Notwithstanding any other provision of this bylaw, Council may pass bylaws from time to time to adjust the rates and charges payable pursuant to Section 2 of this Schedule, in response to changing conditions in the natural gas market.
- 3.2 Without limiting the generality of Subsection 3.1, the requirements of Section 34 of this bylaw shall not apply to bylaws passed pursuant to Subsection 3.1 of this schedule.

NOTE: WHEREVER APPLICABLE, THE GOODS AND SERVICES TAX SHALL BE ADDED TO THE FEES, RATES, CHARGES OR OTHER AMOUNTS PAYABLE TO THE CITY PURSUANT TO THIS BYLAW (SEE BYLAW NO. 2716).

SCHEDULE “B” TO BYLAW 2489
AS AMENDED BY BYLAW NO. 4840
(Effective January 1, 2025)

RECONNECTION, DISCONNECTION AND TRANSFER FEES AND METER DISPUTE CHARGES

1. RECONNECTION, DISCONNECTION AND TRANSFER FEES

The Consumer shall pay to the City a fee as follows:

		Effective January 1, 2025
1.1	Transfer Fee for Premises Already Connected	\$15.00
1.2	Fee for reconnection where the gas service has been disconnected:	
	(a) reconnection during normal working hours (8:30 a.m. to 3:30 p.m. Monday to Friday)	\$75.27
	(b) reconnection after normal working hours	\$112.38
	(c) reconnection if reinstallation of meter and regulator is required.	Actual Cost
1.3	Fee for disconnection:	
	(a) disconnection during normal working hours (8:30 a.m. to 3:30 p.m. Monday to Friday)	\$75.27
	(b) disconnection after normal working hours	\$112.38
1.4	Fee for issuance of disconnect warning notice	\$20.00

An application for reconnection or disconnection to be carried out on the same day as the application is made will be charged the “after normal working hours” fee if the application is received after 10:00 a.m. and overtime work is required to complete the reconnection or disconnection.

2. METER DISPUTE SERVICE CHARGE

The following charge is in reference to Section 26 of this Bylaw regarding “Meter Disputes”.

If testing indicates that the **natural gas** meter is outside the accuracy limits acceptable to the government agency having jurisdiction, the billing adjustment will include a refund of the Meter Dispute Service Charge. The service charge includes the government agency’s testing fee and removal/replacement of meter.

		Effective January 1, 2025
2.1	Meter Dispute Service Charge: (a) During normal working hours only (8:30 a.m. to 3:30 p.m. Monday to Friday)	\$150.65

3. TERMS OF PAYMENT

Transfer, reconnection and disconnection fees and meter dispute service charge are payable at the time of application. Disconnect warning notice fee is payable upon issuance of the notice.

NOTE: WHEREVER APPLICABLE, THE GOODS AND SERVICES TAX SHALL BE ADDED TO THE FEES, RATES, CHARGES OR OTHER AMOUNTS PAYABLE TO THE CITY PURSUANT TO THIS BYLAW (SEE BYLAW NO. 2716).

SCHEDULE "C" TO BYLAW 2489
MINIMUM AND SPECIFIED PENALTIES

SECTION	OFFENCE	MINIMUM PENALTY	SPECIFIED PENALTY
7	Installing pipes or connecting other apparatus without permit	\$500.00	\$500.00
11	Disturb equipment owned by the Gas Utility	\$500.00	\$500.00
16	Unauthorized removal or relocation of Gas Utility service mains or equipment	\$500.00	\$500.00
17	Change connected load without prior approval of Gas Utility	\$500.00	\$500.00
18	Failure to provide access to Gas Utility facilities	\$500.00	\$500.00
19	Obstruct access to Gas Utility facilities	\$500.00	\$500.00
27	Commencing ground disturbance before getting locate(s)	\$500.00	\$500.00

The address and contact persons in the Gas Utility are as follows:

ATTENTION: Gas Distribution
580 1 Street S.E.
MEDICINE HAT, AB T1A 8E6
Phone: 403.529.8190

*NOTE: WHEREVER APPLICABLE, THE GOODS AND SERVICES TAX SHALL BE ADDED TO THE FEES, RATES, CHARGES OR OTHER AMOUNTS PAYABLE TO THE CITY PURSUANT TO THIS BYLAW.
(SEE BYLAW 2716)

SCHEDULE "D" TO BYLAW 2489
REPEALED BY BYLAW 3870 - DECEMBER 16, 2008