

[AS REPORTED FROM THE LOCAL BILLS COMMITTEE.]

House of Representatives, 1st November, 1929.

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Hon. Mr. Wilford.

PETONE AND LOWER HUTT GAS-LIGHTING AMENDMENT.

[LOCAL BILL.]

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A BILL INTITULED

AN ACT to amend the Petone and Lower Hutt Gas-lighting Act, 1922. Title.

WHEREAS by section three of the Petone and Lower Hutt Gas-lighting Amendment Act, 1927, the Petone and Lower Hutt Gas-lighting Board  
 5 is empowered to enter into a contract for the supply of gas in bulk by the Wellington Gas Company, Limited, to the Board: And whereas no such contract has been entered into: And whereas an opportunity has occurred for the Board to obtain gas in bulk from a company proposed to be incorporated in New Zealand for the purpose (*inter alia*)  
 10 of operating at or near Petone a plant for the low-temperature carbonization of coal: And whereas by deed bearing date the first day of July, nineteen hundred and twenty-nine, and expressed to be made between the Board of the one part and Charles James Boyd Norwood, Esquire, as trustee for the said proposed company, of the other part,  
 15 terms and conditions have been set forth upon which it is intended that the Board shall obtain gas in bulk from the said proposed company: And whereas it is expedient that the Board should be empowered in such behalf, and that the said proposed company should (subject to conditions) be empowered to supply gas outside the Board's district: And  
 20 whereas it is further expedient that the boundaries of the Petone and

Lower Hutt Gas-lighting District as defined by the Petone and Lower Hutt Gas-lighting Act, 1922, should be extended :

BE IT THEREFORE ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows :—

Short Title.

1. This Act may be cited as the Petone and Lower Hutt Gas-lighting Amendment Act, 1929, and shall be read together with and deemed part of the Petone and Lower Hutt Gas-lighting Act, 1922 (hereinafter referred to as the principal Act).

Interpretation.

2. In this Act, except where inconsistent with the context,—

“The Board” means the Petone and Lower Hutt Gas-lighting Board constituted under the principal Act :

“The company” means the company proposed to be incorporated as aforesaid :

“Gas” includes purified and unpurified gas, of whatever calorific value.

As to arbitration under this Act.

3. (1) Where in this Act provision is made for any matter to be referred to arbitration, the reference shall ~~each~~ be in *each* case in the first instance to the Board of Gas Referees constituted under the Board of Trade (Gas) Regulations, 1924 ; or if the Board of Gas Referees is unwilling or unable to act, then to a single arbitrator if the Board and the company can agree upon one ; and in default of such agreement, then to two arbitrators (one to be appointed by the Board and one by the company), with an umpire to be appointed by the arbitrators before entering upon the arbitration.

(2) In every case in which the reference is to the Board of Gas Referees the decision or award of a majority of the members shall be the decision or award of the tribunal.

(3) The provisions of the Arbitration Act, 1908, shall apply to every arbitration under this Act :

Provided that the award shall be delivered within the space of one month after the date of the reference, unless the time for so doing is extended by the Court.

Board may contract with company for supplies of gas.

4. (1) Subject to the provisions of section *eleven* hereof, it shall be lawful for the Board and the company, without further authority than this Act, to enter into a contract for the supply of gas in bulk by the company to the Board, at Petone or such other place as may be agreed upon, and from time to time to add to, vary, modify, or extend any of the provisions of such contract, or to substitute a fresh contract or contracts therefor :

Provided that until the Board and the company otherwise agree, the terms of the contract shall be those set forth in the deed above referred to, except that the provisions of section *three* hereof shall be substituted for the provisions as to arbitration contained in the said deed.

(2) Provision may be made, in the original or any substituted contract, for any of the terms of such contract to be from time to time reviewed.

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(3) While any contract is in force between the Board and the company it shall be a condition of the continuance of the contract that the coal used in the production of gas by the company shall be New Zealand coal.

Board may supply unpurified gas for purposes not domestic.

5. The Board is hereby empowered, in addition to all powers heretofore possessed by it, to supply ~~to any person unpurified gas for any purpose not domestic~~ *within the Petone and Lower Hutt Gas-lighting District as hereinafter defined unpurified gas to any person for any purpose not domestic* : and the provisions of the principal Act and its amendments shall be read as if the word “gas” therein used

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included unpurified gas, and as if the Board had been empowered by the principal Act to supply unpurified gas for any purpose not domestic.

6. If at any time the company desires that any premises within the Petone and Lower Hutt Gas-lighting District *as hereinafter defined* be supplied with gas for domestic purposes, and the owner or occupier of such premises has made application to the Board and has been refused supply, or if at any time the company desires that any premises be supplied *within such district* with unpurified gas for any purpose not domestic, then, whether or not the Board has refused supply as aforesaid, the following provisions shall apply :—

In certain circumstances Board to lay mains on behalf of the company.

- (a) In the case of any premises which the company desires to be supplied with gas for domestic purposes, the company may request the Board to supply any such premises, and the Board shall with all convenient speed return an answer to every such request ; but in the case of any premises which the company desires to be supplied with unpurified gas for any purpose not domestic no such request shall be necessary.
- (b) If so required by the company, the Board shall (after compliance where necessary, with the provisions of paragraph (a) of this section, and provided it has refused the company's request made thereunder) enter into a contract with the company under the terms of which all mains and other works necessary to enable such premises to be connected therewith at the street-boundary of such premises are to be laid and installed, and maintained and kept in repair, by the Board at the cost and expense in all things of the company, including interest on moneys borrowed under subsection *two* of section *ten* hereof ; and all gas supplied to the occupiers of such premises is to be measured, and payment therefor collected and enforced, by the Board on account of the company, at such remuneration to the Board as may be prescribed in the contract.
- (c) No such contract shall enable the company, without the consent of the Board, to require the Board to collect on account of the company, in respect of gas supplied for domestic purposes, a price less or more than that prescribed in such portion of the Board's schedule of prices for the time being as is applicable in each particular case.
- (d) The Board may from time to time enter into contracts with the company under the terms of which any such mains or works, or any part thereof, are to be enlarged, duplicated, or replaced, and thereafter maintained and kept in repair, by the Board at the sole cost or partly at the cost of the company.
- (e) Any contract made in pursuance of the provisions of this section may make provision in respect of matters extraneous to the laying and maintaining of mains or works, or the collection of payment for gas.
- (f) Subject to the provisions of this section, the terms of every such contract shall be such as are agreed upon by the Board and the company, and shall, in default of agreement, be settled as to all matters in dispute by arbitration.

- (g) Any contract made in pursuance of the provisions of this section may from time to time be modified, varied, or extended, and provision may be made for any of its terms to be from time to time reviewed.
- (h) In and about the laying, installing, maintaining, and keeping in repair any mains or works, the measuring of gas, and the collection and enforcement of payment therefor, under any contract made under the powers conferred by this section, the Board shall have and may exercise all the powers, rights, and remedies conferred upon it by the principal Act for the purposes of that Act.
- (i) Nothing in this Act contained shall be deemed to empower the company to collect or enforce payment for gas supplied to any person within the Petone and Lower Hutt Gas-lighting District as hereinafter defined.

Property in mains so laid.

7. (1) All mains and works laid or installed by the Board partly at the cost of the company shall be deemed to be the property of the Board; but the company shall be deemed to possess an interest therein proportionate in value to its contribution to the cost thereof, and of the laying and installing of the same, and they shall not be removed without the company's consent.

(2) All mains and works laid by the Board at the sole cost of the company shall be deemed to be the property of the company.

(3) The company shall not have any right of access to, nor any right to remove, any mains or works the property of the company, or in which it possesses an interest:

Provided that the Board shall, whenever requested by the company, from time to time remove and deliver to the company, at its cost, expense, and risk in all things, any mains or works the property of the company not being used to carry gas for the purposes of the Board.

Board may acquire property of company in mains or works so laid.

8. (1) Upon giving to the company reasonable notice in writing of its intention so to do, the Board may at any time acquire the property or interest of the company in the whole or any part of any mains or works laid or installed by the Board in pursuance of the provisions of this Act, and, subject to the provisions of subsection *three* hereof, the company shall sell to the Board its property or interest in the whole or such part of such mains or works, as specified in such notice, at a price equal to the value of such property or interest at the date of payment, or at such less price as may be agreed upon.

(2) For the purposes of this section the value of all mains and works shall be deemed to be the gross cost of the same and the laying and instalment thereof, less an allowance for depreciation calculated at the rate of *two and a half* per centum per annum from the date of the laying or instalment being completed; but after the expiration of a period of forty years from such date the value of any mains or works which the Board may from time to time desire to take over shall in each case be deemed to be the sum of *one* pound.

(3) In any case in which the Board has decided to acquire the company's property or interest in part only of any main or works, and the company considers it just and equitable that the Board should acquire the whole of such main or works or some larger part thereof than the Board has decided to acquire, and the Board has refused to alter its

decision accordingly, the company may require the matter to be referred to arbitration.

(4) Upon the Board's making payment for the company's property or interest in the whole or any part of any main or works the whole or such part, as the case may be, shall become the property of the Board, and every contract subsisting in relation thereto between the Board and the company shall be modified accordingly.

(5) The ~~requirement~~ *acquirement* by the Board of the company's property or interest in the whole or any part of any main shall not enable the rescission of any contract subsisting between the company and any other person for the supply to such person of gas from such main or part thereof, as the case may be; but upon acquiring the company's property or interest in the whole or such part the Board shall adopt and perform all such contracts:

Provided that the company shall, upon request, disclose to the Board the terms of every such contract before the Board proceeds to acquire the whole or any such part of the main.

9. (1) The Board may connect with any main the property of the company, or in which the company possesses any interest, any premises other than those specified by the company in its request to the Board made in pursuance of the provisions of paragraph (a) of section *six* hereof, and may lay and connect with any such main any branch or extension.

Board may extend mains belonging to company.

(2) Notwithstanding anything contained or implied in any subsisting contract, the price to be paid by the Board to the company for gas supplied to any such premises as aforesaid, or passing along any such branch or extension, shall be matter for agreement, or, in default of agreement, for arbitration.

(3) If at any time either the Board or the company considers that the number of connections made or of branches or extensions laid by the Board necessitates the enlargement or duplication of any main or works the property of the company or in which the company has an interest, and the Board and the company fail to agree as to any question so arising, either the Board or the company may require any matters in dispute to be referred to arbitration.

10. (1) For the purpose of acquiring the property or interest of the company in any mains or works the Board may from time to time raise special loans in manner provided by section six of the Petone and Lower Hutt Gas-lighting Amendment Act, 1927, in all respects as if for purposes of reticulation within the meaning of that Act.

Borrowing-powers of Board for the purposes of this Act.

(2) For the purpose of carrying out any contract with the company for, or the provisions of any award relating to, the laying, instalment, enlargement, or duplication of any mains or works, the Board may from time to time borrow moneys, repayable on demand or at the expiration of any period not exceeding three months from the date of borrowing:

Provided that the total amount so borrowed for the purpose of carrying out any such contract or the provisions of any such award shall not exceed the amount to become payable to the Board by the company upon completion of the contract or upon fulfilment of the provisions of the award, as the case may be:

Provided further that all moneys receivable from the company by the Board in respect of such contract or award shall be applied primarily

in repayment of the Board's indebtedness incurred in exercise of the power conferred by this section.

Condition precedent to Board's contracting with company.

11. The Board shall not make any contract in pursuance of the provisions hereof, nor shall the company exercise any power hereby or hereunder conferred upon it, until there has been published in the *Gazette* a notice under the hand of the Registrar of Companies to the effect that he is satisfied, upon evidence adduced to him, that the company has been duly incorporated in New Zealand, having for one of its objects the operation of plant for the low-temperature carbonization of coal, and that the subscribed share capital of the company, together with its subscribed debenture capital, or, alternatively, the value of its plant and other capital assets (if any) within New Zealand, amounts to not less than the sum of *two hundred thousand* pounds. 5 10

Governor-General may empower company to sell gas outside the Board's district.

12. (1) The Governor-General may, by Order in Council, empower the company to sell and distribute gas, whether purified or unpurified, to persons in any specified area or areas outside the Board's district as hereinafter defined, and to do all things usual or necessary for the purpose, upon such terms and conditions and subject to such restrictions as shall be prescribed by such Order in Council. 15

(2) No such area shall include any part of the City of Wellington, nor of the Johnsonville Town District, nor of the County of Makara, and no such area shall include any part of any borough or town district situated outside the two last-mentioned areas, unless the Council of such borough or the Board of such town district has by special order consented thereto : 20 25

Provided that every such consent on the part of a Borough Council shall be deemed a waiver of, and shall operate to suspend, the power of such Council to establish gasworks and supply gas within such area during such time as the company continues to supply gas therein.

Distinction between gas for domestic and non-domestic consumption.

13. No Act or regulations under any Act shall apply to the composition or calorific value of any unpurified gas supplied, whether by the Board or the company, for any purpose not domestic, unless such Act or regulations by express words distinguish gas intended for domestic purposes from gas intended for other purposes. 30

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Company may lay mains, &c., for purpose of supplying Wellington Gas Company, Limited.

14. (1) If at any time the company enters into a contract or contracts with the Wellington Gas Company, Limited, for the supply of gas to the Wellington Gas Company, Limited, for distribution to its consumers, the company may for the purpose of supplying such gas lay and install any and all necessary mains and works between the company's plant or plants and any point or points on the boundary of the district within which the Wellington Gas Company, Limited, is for the time being empowered to distribute gas. 35 40

(2) The provisions of the Wellington Gas Company's Act, 1870, shall, *mutatis mutandis*, apply to all such mains and works before, during, and after construction in all respects as if the words "the company" used therein referred to the company as hereinbefore defined. 45

(3) All pumping-siphons, traps, or other works to which the company desires to have periodical access shall, if situated beneath any road or street, be covered with manholes or other appliances for rendering unnecessary the breaking-up of the contiguous surface of such road or street; and all such manholes or appliances shall be supplied and installed to the approval of the local or other authority having control of such road or street. 50

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(4) The company may at any time open any such manhole or other appliance, and shall, while the same remains open, cause the opening to be properly barricaded and guarded, and shall cause a light or lights sufficient for the warning of passengers to be set up and maintained against every such barricade every night from daylight to daylight.

15. (1) It shall be lawful for the company from time to time to lay any main or pipe for the purpose of conveying to any point outside its premises any of its products, or any waste products, upon such conditions as shall be prescribed by the Minister of Public Works, after consultation with every Borough Council, Town Board, County Council, River Board, Electric-power Board, Highways Board, and Harbour Board within whose district any part of such main or pipe is to be situated or the outflow therefrom discharged.

Company may lay pipes for carrying liquids.

(2) All conditions so prescribed shall be reduced to writing and published in the *Gazette*.

16. (1) As from the commencement of this Act, the area described in the Schedule hereto shall be the district within which the Board is empowered to undertake the supply of gas for public and private use, and shall be known as the "Petone and Lower Hutt Gas-lighting District."

Petone and Lower Hutt Gas-lighting District extended.

(2) This section is in substitution for section two of the principal Act, and that section is hereby repealed accordingly.

17. (1) The Board is hereby empowered, for any purpose connected with the purchase, manufacture, or distribution of gas, to purchase or take on lease any land, or to take any land under the provisions of the Public Works Act, 1928, in all respects as if the Board were a local authority within the meaning of that Act.

Board empowered to purchase, take, or lease land.

(2) All land taken by the Board under the provisions of the Public Works Act, 1928, shall be deemed to be land taken for a public work within the meaning of that Act, and its provisions shall apply accordingly.

18. The Board may from time to time sell, let, or lease, on such terms and conditions as it thinks fit, any land vested in the Board not for the time being required for the purpose for which such land was acquired or for any other purpose of the Board, and may pay the proceeds of such sale, letting, or leasing, except in any case in which loan-moneys borrowed for the purpose of acquiring such land remain unpaid, into its General Account, and use the same for any purpose upon which moneys in such account may be lawfully expended :

Board may dispose of land.

Provided that in every case in which loan-moneys borrowed for the purpose of acquiring such land remain unpaid the proceeds of the sale, letting, or leasing of such land shall from time to time be applied either in payment to the sinking fund (if any) established in connection with the loan or in establishing a sinking fund in connection therewith, or towards the acquisition or leasing of any land for any purpose of the Board, or to all or any of such objects, simultaneously or successively :

Provided further that in the case of land let or leased by the Board the proceeds of the letting or leasing may, without limiting or restricting the powers hereinbefore conferred, from time to time be applied in whole or part towards the payment of interest upon ~~unpaid~~ outstanding loan-moneys borrowed for the purpose of acquiring such land.

Schedule.

## SCHEDULE.

ALL that area comprising the Boroughs of Eastbourne, Petone, Lower Hutt, and Upper Hutt, and the Wainuiomata, Epuni, Mungaroa, and Heretaunga Ridings of the Hutt County, together with that portion of the Horokiwi Riding lying to the east and south of a line drawn as follows: Commencing at the north-west corner of Section 346, Block III, Belmont Survey District; thence along the northern boundaries of Sections 346 and 433, and the eastern boundaries of Sections 353, 350, and 432 to the southern boundary of Section 73; thence easterly along the southern boundary of Section 73 to the south-east corner of the said section; thence along the eastern boundaries of Sections 73, 72, and 52, the southern and eastern boundaries of Section 55, the southern and eastern boundaries of Section 50, the southern and eastern boundaries of Section 62, the eastern boundary of Section 40, Block III, Belmont Survey District, the western boundaries of Sections 63 and 65, Block IV, Belmont Survey District, along the northern boundary of Section 65, and along the eastern boundary of Section 65 to its point of intersection with the northern boundary of Section 1; thence along the northern boundary of Section 1 to the north-east corner of the said section.

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