

Part

No. 48A 29 November 2007

Laws and Regulations

Summary

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Regulations and other acts

Gouvernement du Québec

O.C. 1049-2007, 28 November 2007

An Act respecting the Régie de l'énergie (R.S.Q., c. R-6.01)

Green Fund — Annual duty payable

Regulation respecting the annual duty payable to the Green Fund

WHEREAS, under subparagraph 9 of the first paragraph of section 114 of the Act respecting the Régie de l'énergie (R.S.Q., c. R-6.01), the Régie de l'énergie may make regulations determining the rates, method of calculation and terms of payment of the annual duty on natural gas and fuel payable under Chapter VI.3, the rate of interest on sums due and the penalties exacted for failure to pay;

WHEREAS the Régie de l'énergie made the Regulation respecting the annual duty payable to the Green Fund;

WHEREAS, under section 115 of the Act, the regulations made by the Régie de l'énergie must be submitted to the Government, which may approve them with or without amendments;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), a draft of the Regulation respecting the annual duty payable to the Green Fund was published in Part 2 of the *Gazette* officielle du Québec of 20 June 2007 with a notice that it could be submitted to the Government for approval on the expiry of 45 days following that publication;

WHEREAS comments were received;

WHEREAS it is expedient to approve the Regulation with amendments;

IT IS ORDERED, therefore, on the recommendation of the Minister of Natural Resources and Wildlife:

THAT the Regulation respecting the annual duty payable to the Green Fund, attached to this Order in Council, be approved.

GÉRARD BIBEAU, Clerk of the Conseil exécutif

Regulation respecting the annual duty payable to the Green Fund

An Act respecting the Régie de l'énergie (R.S.Q., c. R-6.01, ss. 85.36 and 114, 1st par., subpar. 9 and 4th par.)

I• The annual duty payable to the Green Fund by a distributor under Chapter VI.3 of the Act respecting the Régie de l'énergie (R.S.Q., c. R-6.01) is the amount obtained by multiplying the applicable rate by the quantity of carbon dioxide (CO_2) emissions that is attributable to the distributor.

2. The applicable rate, in dollars per tonne of CO_2 emissions, is determined each year by dividing the annual financial investment in the Green Fund by the total quantity of CO_2 emissions as determined under section 4.

3. The annual financial investment in the Green Fund is obtained by dividing the overall financial investment set by the Government under section 85.35 of the Act by the number of 12-month periods within the period determined by the Government.

4. The quantity of CO_2 emissions attributable to a distributor is the product obtained by multiplying the CO_2 emission coefficients listed in the Schedule by the respective volumes of natural gas, gasoline, diesel fuel, light heating oil, heavy heating oil and propane or by the respective masses of petroleum coke and various varieties of coal that are attributable to the distributor.

The total quantity of CO_2 emissions is the sum of the CO_2 emissions calculated under the first paragraph for all the distributors.

5. The fuel sold in Québec is presumed to be intended for consumption in Québec unless shown otherwise by the distributor.

In determining the volumes or masses used to determine the quantity of CO_2 emissions attributable to a distributor, the Régie also takes into account in particular the statements filed by the distributors pursuant to section 85.37 of the Act. **6.** Any variation the Régie establishes in the volume attributable to a distributor after the annual determination of the applicable rate will be the subject of a notice of payment indicating the amount of the annual duty payable to the Green Fund by the distributor pursuant to section 1. The notice of payment is sent at the latest with the notice of payment for the subsequent period.

7. The annual duty payable by a distributor is payable in four equal instalments on 31 December, 31 March, 30 June and 30 September.

8. Any balance unpaid on the due date bears interest at the rate determined as provided in section 28 of the Act respecting the Ministère du Revenu (R.S.Q., c. M-31). The interest is capitalized monthly.

In addition to the interest payable, a penalty of 15% is added to any amount owing if the delay exceeds 60 days. In no case may the amount of the penalty exceed 15% of the amount owing.

9. The first instalment of the annual duty for the period from 1 October 2007 to 30 September 2008 is payable on 31 December 2007.

10. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

SCHEDULE

Product	Use	CO ₂ emission coefficient
Natural gas	All uses.	1,891 g/m ³
Gasoline	Reference: gasoline vehicle. Coefficient applicable to all types of gasoline.	2,360 g/l
Diesel fuel	Reference: diesel motor vehicle. Coefficient applicable to all types of diesel fuel.	2,730 g/l
Light heating oil	All uses, including production of electricity using light heating oil. Coefficient applicable to types #0, #1 and #2 heating oil.	2,830 g/l

Product	Use	CO ₂ emission coefficient
Heavy heating oil	All uses, including production of electricity using heavy heating oil. Coefficient applicable to types #4, #5 and #6 heating oil.	3,090 g/l
Propane	All uses.	1,500 g/l
Petroleum coke	All uses.	3,190 g/kg
Anthracite coal	All uses.	2,390 g/kg
Canadian bituminous coal	All uses.	2,249 g/kg
American bituminous coal	All uses.	2,343 g/kg

For the purposes of this Regulation, the " CO_2 emission coefficient" is the mass in grams (g) of carbon dioxide (CO_2) generated by the combustion of one unit of natural gas or fuel per cubic metre (m³), per litre (l) or per unit of petroleum coke or coal mass in kilograms (kg).

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Draft Regulations

Draft Regulation

An Act respecting the Régie de l'énergie (R.S.Q., c. R-6.01)

Agence de l'efficacité énergétique — Annual share payable

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation respecting the annual share payable to the Agence de l'efficacité énergétique, appearing below, may be submitted to the Government for approval on the expiry of 45 days following this publication.

The draft Regulation establishes the method of calculation of the annual share payable by an energy distributor and the rate of interest on sums owing. It establishes the conditions on which distributors are required to pay the annual share to the agency. The main purpose of the draft Regulation is to provide for

— the necessary regulatory adjustment to ensure consistency with the Québec Energy Strategy, the Act respecting the Agence de l'efficacité énergétique and the Act respecting the Régie de l'énergie;

— the funding of the agency, in particular to develop, implement and follow up on the comprehensive energy efficiency and new technologies plan;

— the payment of penalties from energy distributors for failure to pay the share.

The draft Regulation has minor impacts on power rates.

Further information on the draft Regulation may be obtained by contacting Véronique Dubois, Secretary of the Régie de l'énergie, 800, Place Victoria, bureau 2.55, Montréal (Québec) H4Z 1A2; telephone: 514 873-2452 or toll free: 1 888 873-2452; fax: 514 873-2070; e-mail: secretariat@regie-energie.qc.ca. Any person wishing to comment on the draft Regulation may do so in writing to the Secretary of the Régie de l'énergie, within the 45-day period. The comments will be analyzed by the Régie and sent to the Minister of Natural Resources and Wildlife, who is responsible for the administration of the Act respecting the Régie de l'énergie (R.S.Q., c. R-6.01).

CLAUDE BÉCHARD, Minister of Natural Resources and Wildlife

Regulation respecting the annual share payable to the Agence de l'efficacité énergétique

An Act respecting the Régie de l'énergie (R.S.Q., c. R-6.01, s. 114, 1st par., subpar. 10 and 4th par.)

1. The annual share payable to the Agence de l'efficacité énergétique by an energy distributor under Chapter VI.2 of the Act respecting the Régie de l'énergie (R.S.Q., c. R-6.01) for the fiscal year ending on 31 March 2008 and for each subsequent fiscal year corresponds to the sum of all products obtained by multiplying the applicable rate determined under section 2, per form of energy or group of fuels, by the volume of energy concerned determined under section 4 that is attributable to the distributor.

For the purposes of this Regulation, "form of energy" means electric power, natural gas and the various fuel types consisting of gasoline, diesel fuel, light heating oil, heavy heating oil and propane.

2. A rate is fixed annually for each form of energy and, where applicable, for every group of fuels. The rate applicable for a form of energy or group of fuels is the quotient obtained by dividing the revenue required by the agency for that form of energy or group of fuels, as determined under section 3, by the sum of the volumes determined under section 4 that are attributable to all the distributors of that form of energy or group of fuels.

3. For the purposes of section 2, the revenue required by the agency, for each form of energy or group of fuels, for a particular fiscal year, corresponds, for each form of energy or group of fuels, to the agency's expenditure estimates, less its revenue estimates excluding share revenue for that fiscal year, as approved by the Government, less the agency's audited accumulated surplus for the preceding fiscal year.

A required revenue is established for each group of fuels if the expenditure estimates concern more than one fuel type.

The estimates and surplus referred to in this section are those established by the agency within the scope of the comprehensive energy efficiency and new technologies plan; if applicable, they are adjusted to take into account the decisions of the Régie.

4. The volume of energy attributable to the electric power distributor or a natural gas distributor is determined by the Régie taking into account the information obtained from the distributors for their fiscal year preceding the fiscal year for which the annual share is calculated.

If the volume of electric power is attributable to an energy distributor having entered into a service agreement with Hydro-Québec in the course of its distribution activities to delegate the management of its programs and actions promoting energy efficiency and new energy technologies to Hydro-Québec, that volume is nil.

The volume of electric power distributed by the electric power distributor to an energy distributor that has not entered into the agreement referred to in the second paragraph is not attributable to the electric power distributor. In such a case, the volume of electric power attributable to the energy distributor is determined by the Régie taking into account the information obtained from the energy distributor for the fiscal year preceding the fiscal year for which the annual share is calculated.

The volume of energy attributable to a fuel distributor is converted into megajoules according to the following table:

CONVERSION TABLE (in megajoules per litre)

Fuel types

Gasoline	Diesel fuel	Light heating oil	Heavy heating oil	Propane
35.00	38.30	38.80	42.50	25.31

The fuel sold in Québec is presumed to be intended for consumption in Québec unless shown otherwise by the distributor.

In determining the volume of energy attributable to a fuel distributor, the Régie also takes into account in particular the statements filed by the distributors pursuant to section 85.31 of the Act.

5. The annual share payable by an energy distributor, for each fiscal year of the agency, is payable in four quarterly payments on 30 June, 30 September, 31 December and 31 March.

The amount of the last quarterly payment continues to apply in the subsequent fiscal year up to the quarter during which the notice of payment of the annual share is sent for that fiscal year. Any overpayment or amount still owing to the agency for that fiscal year is apportioned equally over the remaining quarterly instalments.

6. Any variation the Régie establishes in the volume attributable to an energy distributor after the annual determination of the applicable rate will be the subject of a new notice of payment indicating the revised amount of the annual share payable by the distributor. The notice is sent at the latest with the notice of payment for the subsequent fiscal year.

7. Any balance unpaid on the due date bears interest at the rate determined as provided in section 28 of the Act respecting the Ministère du Revenu (R.S.Q., c. M-31). The interest is capitalized monthly.

In addition to the interest payable, a penalty of 15% is added to any sum owing if the delay exceeds 60 days.

8. For the purposes of section 3, the agency's audited accumulated surplus for the 2006-2007 fiscal year, for each form of energy or group of fuels, is deemed to be nil.

9. Despite the provisions of section 5, the annual share payable by an energy distributor for the 2007-2008 fiscal year is payable in full on the fifteenth day after the day on which the notice of payment is sent by the Régie.

For the purposes of the second paragraph of that section, the amount corresponding to one-quarter of the annual share payable for the 2007-2008 fiscal year continues to apply in the 2008-2009 fiscal year up to the quarter during which the notice of payment of the annual share is sent for that fiscal year. Any overpayment or amount still owing to the agency for the 2008-2009 fiscal year is apportioned equally over the remaining quarterly instalments.

10. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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Part 2

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Abbreviations: A : Abrogated, N : New, M : Modified

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