Draft Regulations

Draft Regulation

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

Annual duty

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 duty payable to the Régie de l'énergie, the text of which appears below, may be made by the Government on the expiry of 45 days following this publication.

This draft Regulation replaces the Regulation respecting the rates and terms and conditions of payment of the annual duty to the Régie de l'énergie, in particular to

- modify the rates and terms and conditions of payment of the annual duty payable to the Régie by distributors:
- subject the electric power carrier to payment of an annual duty to the Régie;
- provide for an interest rate on amounts of duty owing to the Régie;
- ensure that those changes will be in effect for the purposes of determining the duty payable to the Régie for the 2004-2005 fiscal year and subsequent fiscal years so that the costs of the Régie's activities may be borne by the electric power carrier and the distributors concerned, according to the rules of equity and accountability in effect at the Régie and used to prepare supplementary information to the Régie's audited financial statements.

The draft Regulation has no impact on the public and businesses other than for the apportionment of the duty between Hydro-Québec's regulated divisions, namely Distribution and Transport.

Further information may be obtained by contacting René Paquette, Director, Direction du développement électrique, Ministère des Ressources naturelles, de la Faune et des Parcs, 5700, 4e Avenue Ouest, bureau A-416, Charlesbourg (Québec) G1H 6R1; telephone: (418) 627-6386, ext. 8351; fax: (418) 646-1878; email: rene.paquette@mrnfp.gouv.qc.ca

Any person having comments to make on the draft Regulation is asked to send them in writing, before the expiry of the 45-day period, to Mario Bouchard, Associate Deputy Minister for Energy and Climate Change, Ministère des Ressources naturelles, de la Faune et des Parcs, 5700, 4° Avenue Ouest, bureau B-401, Charlesbourg (Québec) G1H 6R1; telephone: (418) 627-6377; fax: (418) 643-0701; email: mario.bouchard@mrnfp.gouv.qc.ca

SAM HAMAD, Minister of Natural Resources, Wildlife and Parks

Regulation respecting the annual duty payable to the Régie de l'énergie

An Act respecting the Régie de l'énergie (R.S.Q., c. R-6.01, s. 112, 1st par., subpar.1 and 2nd par.)

- **1.** The rates of duty payable by the distributors for the fiscal year ending 31 March 2005 and for each subsequent fiscal year are determined by dividing, for each form of energy, the adjusted expenditure estimates of the Régie de l'énergie by
- (1) the sum of the volumes of electric power distributed by each electric power distributor during its preceding fiscal year, including the volumes delivered to customers at voltages of 44 kV or higher, excluding the volumes of electric power sold to another electric power distributor;
- (2) the sum of the volumes of natural gas transmitted and the volumes delivered by each natural gas distributor during its preceding fiscal year;
- (3) the sum of the volumes of gasoline and diesel fuel intended for Québec markets that are refined in Québec, traded with a refiner in Québec or brought into Québec by each petroleum products distributor subject to payment of the duty during its preceding fiscal year. That sum excludes the volumes of gasoline and diesel fuel for which the duty must be paid by another distributor;
- (4) the sum of the volumes of steam distributed by pipes for heating purposes by each steam distributor during its preceding fiscal year.

For the purposes of the first paragraph, the adjusted expenditure estimates correspond to the difference, for each form of energy, between the expenditure estimates of the Régie as relate to the distributors, as approved by the Government for the current fiscal year, and the accumulated surplus as relates to the distributors at the end of the preceding fiscal year, and presented as supplementary information to the audited financial statements of the Régie.

The duty payable by each distributor of a form of energy is the product of the rate multiplied by the volumes referred to in the first paragraph attributable to the distributor.

2. The annual duty payable by the electric power carrier for the fiscal year ending 31 March 2005 and for each subsequent fiscal year corresponds to the adjusted expenditure estimates of the Régie in that regard.

For the purposes of the first paragraph, the adjusted expenditure estimates correspond to the difference between the expenditure estimates of the Régie as relate to the electric power carrier, as approved by the Government for the current fiscal year, and the accumulated surplus as relates to the electric power carrier at the end of the preceding fiscal year, and presented as supplementary information to the audited financial statements of the Régie.

- **3.** For the purposes of sections 1 and 2,
- (1) the expenditure estimates of the Régie as relate to the electric power carrier and the electric power distributors for the 2004-2005 fiscal year correspond respectively to 40% and 60% of the 2004-2005 expenditure estimates of the Régie approved by the Government for electric power; and
- (2) the accumulated surplus as relates to the distributors at 31 March 2004, for each form of energy, corresponds to the sum of the accumulated surplus at 31 March 2003, for each form of energy, presented as supplementary information to the audited financial statements of the Régie, and the amount by which revenues exceed expenditures for the 2003-2004 fiscal year, for each form of energy, presented as supplementary information to the audited financial statements of the Régie.
- **4.** The duty payable by the electric power or natural gas distributors and by the electric power carrier is payable in equal instalments on the first day of each month.

The monthly instalments continue to apply until the last day of the month during which the expenditure estimates are adjusted as provided in the second paragraph of sections 1 and 2. Any overpayment of or amount owing on the duty payable to the Régie for the fiscal year shall be equally apportioned over the remaining monthly instalments.

The annual duty payable by petroleum products or steam distributors is payable in one instalment on the first day of the month following the month in which the expenditure estimates are adjusted as provided in the second paragraph of section 1.

- **5.** Distributors of petroleum products other than distributors that refine in Québec, trade with a refiner in Québec or bring into Québec more than one hundred million litres of gasoline or diesel fuel per year intended for Québec markets are exempt from the application of this Regulation.
- **6.** Any outstanding amount on the duty bears interest at the rate fixed under section 28 of the Act respecting the Ministère du Revenu (R.S.Q., c. M-31). The interest is compounded monthly.
- **7.** This Regulation replaces the Regulation respecting the rates and terms and conditions of payment of the annual duty to the Régie de l'énergie made by Order in Council 383-98 dated 25 March 1998.
- **8.** 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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Draft Regulation

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

Fees 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 fees payable to the Régie de l'énergie, the text of which appears below, may be made by the Government on the expiry of 45 days following this publication.

The draft Regulation replaces the Regulation respecting the fees payable to the Régie de l'énergie in order to

— replace "droits" in the French text by "frais" in respect of the examination of an application submitted to the Régie; and