

3 334 854 and part of the western limit of lot 3 843 595 to its intersection with the westerly extension of the northern limit of lot 3 940 622; easterly, the said extension and the northern limit of lot 3 940 622; northerly, the western limit of lots 3 940 622, 3 709 265, 3 335 079, 3 335 087, 3 335 089, 3 335 091, 3 335 092, 3 909 906 and 3 335 097; in a general northeasterly direction, part of the sinuous line bordering to the southeast lot 3 335 621 to its intersection with the westerly extension in Lac Baby, of the northern limit of lot 3 335 097; successively easterly, the said extension and the northern limit of lot 3 335 097 extended into Lac Baby to its intersection, in reference to the original survey, with the northern limit of lot 29 of Rang II of Canton de Baby, then the northern limit of the latter lot; successively northerly, part of the dividing line between ranges II and III of Canton de Baby to its intersection with the apex of the southeastern angle of lot 3 334 884 of the cadastre of Québec, then in reference to that cadastre, the eastern limit of lots 3 334 884, 3 334 883, 3 334 882, 3 709 411, 3 334 878, 3 334 877, 6 110 639, 6 110 636, 3 709 208, 3 335 831, 3 709 338, 3 335 839, again part of the dividing line between ranges II and III of Canton de Baby to its intersection with the apex of the southeastern angle of lot 4 288 284 of the cadastre of Québec, the eastern limit of lots 4 288 284, 4 288 283, 3 709 415, 4 288 280 and 4 288 282 extended into Lac Kakake, again the eastern limit of lot 4 288 282 extended to the centre line of an arm of the Ottawa river; in a general southeasterly direction, the said centre line of an arm of the Ottawa river, crossing lot 5 593 926 of the cadastre of Québec, then the centre line of Lac des Quinze to its intersection with the westerly extension of the dividing line between former lots 71 and 72 of Rang 6 of the cadastre of Canton de Guérin; easterly, the said extension to its intersection with the southerly extension of the dividing line between ranges V and VI of Canton de Guérin; northerly, the said extension, then part of the dividing line between ranges V and VI of Canton de Guérin to its intersection with the northern limit of lot 55 of Range VI of the said township, the latter segment bordering to the west lots 5 593 928, 5 594 417 and 5 593 929 and to the east lot 3 312 865 of the cadastre of Québec; easterly, in reference to the original survey of Canton de Guérin, the northern limit of lot 55 of ranges VI and VII, the latter segment crossing lot 5 594 414 of the cadastre of Québec (Route 391); southerly, part of the dividing line between ranges VII and VIII of the said township to its intersection with the northern limit of lot 55 of Rang VIII of Canton de Guérin; easterly, the northern limit of lot 55 of Rang VIII of Canton de Guérin extended to its intersection with the centre line of Lac des Quinze; in a general northerly direction, the said centre line of Lac des Quinze to its intersection with the westerly extension of the dividing line between ranges IX and X of Canton de Villars; lastly, easterly, the said extension then the dividing line between ranges IX and X of Canton de Villars, to the starting point.

Such perimeter defines the territory of Municipalité de Laverlochère-Angliers, in Municipalité régionale de comté de Témiscamingue.

Prepared in Québec, on 5 October 2017

*Ministère de l'Énergie et des Ressources naturelles*  
*Office of the Surveyor-General of Québec*  
*Service de l'arpentage et des limites territoriales*

By: GENEVIÈVE TÉTREAUULT,  
*Land surveyor*

Record BAGQ: 537675  
Reference record BAGQ: 537334

103259

Gouvernement du Québec

### **O.C. 1217-2017, 13 December 2017**

An Act to increase the number of zero-emission motor vehicles in Québec in order to reduce greenhouse gas and other pollutant emissions  
(2016, chapter 23)

#### **Regulation**

Regulation respecting the application of the Act to increase the number of zero-emission motor vehicles in Québec in order to reduce greenhouse gas and other pollutant emissions

WHEREAS, under the first paragraph of section 3 of the Act to increase the number of zero-emission motor vehicles in Québec in order to reduce greenhouse gas and other pollutant emissions (2016, chapter 23), the Government determines, by regulation, the number of credits that a motor vehicle manufacturer whose average sales or leases of new motor vehicles, for three consecutive model years, is more than 4,500, must accumulate for the model year that immediately follows the last of those three consecutive model years;

WHEREAS, under section 4 of the Act, the Government may, by regulation, classify motor vehicle manufacturers by category;

WHEREAS, under paragraphs 1 and 2 of section 6 of the Act, the Government establishes, by regulation, the number of new or reconditioned motor vehicles, as the case may be, whose sale or lease allows a motor vehicle manufacturer to obtain credits, and the calculation method pertaining to it;

WHEREAS, under paragraphs 1 and 2 of section 6 of the Act, the Government may, by regulation, determine conditions, in addition to those already prescribed by the Act, which the motor vehicles referred to in the Act, must meet;

WHEREAS, under the second paragraph of section 7 of the Act, the Government provides, by regulation, the terms pertaining to a report for a contract for the alienation of a credit entered into by two or more manufacturers;

WHEREAS, under section 8 of the Act, the Government determines, by regulation, the parameters, calculation method, conditions and terms of payment of the charge that must be paid by a motor vehicle manufacturer that has not accumulated the number of credits required to fulfill its obligations, and the value of a credit for the purpose of calculating the charge;

WHEREAS, under section 10 of the Act, the Government determines, by regulation, the information that a motor vehicle manufacturer referred to in the first paragraph of section 3 of the Act must report annually, and the terms pertaining to the report;

WHEREAS, under the third paragraph of section 64 of the Act, the Government determines, by regulation, the value, parameters, calculation method and conditions applicable to credits that could be accumulated by a motor vehicle manufacturer for the 2014 to 2017 model years;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), a draft Regulation respecting the application of the Act to increase the number of zero-emission motor vehicles in Québec in order to reduce greenhouse gas and other pollutant emissions was published in Part 2 of the *Gazette officielle du Québec* of 5 July 2017 with a notice that it could be made by the Government on the expiry of 45 days following that publication;

WHEREAS it is expedient to make the Regulation with amendments;

IT IS ORDERED, therefore, on the recommendation of the Minister of Sustainable Development, the Environment and the Fight Against Climate Change:

THAT the Regulation respecting the application of the Act to increase the number of zero-emission motor vehicles in Québec in order to reduce greenhouse gas and other pollutant emissions, attached to this Order in Council, be made.

JUAN ROBERTO IGLESIAS,  
*Clerk of the Conseil exécutif*

## **Regulation respecting the application of the Act to increase the number of zero-emission motor vehicles in Québec in order to reduce greenhouse gas and other pollutant emissions**

An Act to increase the number of zero-emission motor vehicles in Québec in order to reduce greenhouse gas and other pollutant emissions (2016, chapter 23, s. 3, s. 4, s. 6, s. 7, 2nd par., s. 8, 2nd and 3rd pars., s. 10 and s. 64, 3rd par.)

### **CHAPTER I DEFINITIONS AND CLASSIFICATION OF MOTOR VEHICLE MANUFACTURERS**

**1.** In this Regulation, unless the context indicates otherwise,

“low-emission motor vehicle” means a vehicle propelled, as the case may be,

(1) by the association of an electric motor or another means of propulsion that emits no pollutants with an engine that emits pollutants;

(2) solely by a hydrogen internal combustion engine; or

(3) solely by an electric motor whose battery used to supply the motor is recharged from a source that is not on board the vehicle or by a motor that emits pollutants;

and that meets the conditions provided for in section 2; (*véhicule automobile à faibles émissions*)

“low-speed motor vehicle” means a zero-emission motor vehicle equipped with at least 3 wheels that, on a plane paved surface and over a distance of 1.6 km, reaches a maximum speed between 32 and 40 km/h, whose electric range, when it travels without interruption at its maximum speed with a load of 150 kg, is not less than 40 kilometres, and whose gross weight rating is less than 1,361 kg; (*véhicule automobile à basse vitesse*)

“motor vehicle with a range extender” means a low-emission motor vehicle equipped with a range extender that enables it, where it travels and has used all of its basic electric range, to continue travelling over a distance that must be less than the distance that the range allows to travel and whose basic electric range is at least 121 km; (*véhicule automobile avec un prolongateur d'autonomie*)

“reconditioned motor vehicle” means a motor vehicle that, in addition to the conditions set out in paragraphs 1 and 2 of section 6 of the Act to increase the number of zero-emission motor vehicles in Québec in order to reduce greenhouse gas and other pollutant emissions (2016, chapter 23), meets, at the time of its sale or lease by a motor vehicle manufacturer, the following conditions:

(1) the vehicle has the same equipment as a new motor vehicle of the same model and the same model year, or a more recent model year, offered for sale or lease in Québec; the equipment may be of higher quality than the original equipment;

(2) the equipment is in a condition comparable to the condition of the original equipment of a new motor vehicle of the same model and the same model year;

(3) whichever comes first

(a) when subtracting the number representing the model year of the motor vehicle from the number representing the calendar year during which the motor vehicle was registered for the first time in Québec, the result obtained does not exceed 4; or

(b) the number of kilometres indicated on the vehicle’s odometer does not exceed 40,000 km;

(4) it is covered by the same conventional warranty as that offered by the motor vehicle manufacturer for a new motor vehicle of the same model and the same model year sold or leased in Québec, for the unexpired term of the warranty for such a vehicle; (*véhicule automobile remis en état*)

“zero-emission motor vehicle” means a motor vehicle propelled solely by an electric motor, including a motor vehicle whose motor is supplied by a hydrogen fuel cell, or another means of propulsion that emits no pollutants and whose sole element emitting pollutants is the vehicle’s air conditioner. (*véhicule automobile zéro émission*)

**2.** To be considered a low-emission motor vehicle, a motor vehicle must, in addition to what is provided for in the definition in section 1, meet the following conditions:

(1) the maximum quantity of each of the following gases, that is, formaldehyde, non-methane volatile organic compounds, carbon monoxide and nitrogen oxide, as well as particulates produced by the fuel combustion process, emitted into the atmosphere by the motor vehicle through its exhaust pipe, must not exceed as of the 2020 model year the values corresponding, according to the quantity of gas and particulates emitted by the vehicle exhaust

pipe, to the SULEV20 or SULEV30 category, provided for in section 1961.2(a)(1) of Title 13 of the California Code of Regulations, those values being calculated by using the methods provided for in section 1961.2(d) of the same Title;

(2) the maximum quantity of hydrocarbon contained in the gases emitted by evaporation by the motor vehicle, that is, the gases emitted otherwise than by the exhaust pipe, must not exceed as of the 2020 model year the values provided for in section 1976(b)(1)(G) of Title 13 of the California Code of Regulations, those values being calculated using the methods provided for in section 1976(c) of the same Title.

**3.** The requirements of this Regulation respecting the number of kilometres indicated on the motor vehicle’s odometer refer to the number of kilometers that, following a mechanical inspection by the Société de l’assurance automobile du Québec, is entered in the register kept by the Société for entering information on the motor vehicle and its owner.

**4.** Motor vehicle manufacturers are classified according to the following categories:

(1) category A “large volume manufacturer” includes motor vehicle manufacturers whose average sales and leases of new motor vehicles, for the model year for which a classification is established, is greater than 20,000;

(2) category B “intermediate volume manufacturer” includes motor vehicle manufacturers whose average sales and leases of new motor vehicles, for the model year for which a classification is established, is between 4,501 and 20,000;

(3) category C “small volume manufacturer” includes motor vehicle manufacturers whose average sales and leases of new motor vehicles, for the model year for which a classification is established, is equal to or less than 4,500.

For the purpose of classifying a motor vehicle manufacturer, the average of its sales and leases of new motor vehicles for a particular model year is obtained by adding the number of new motor vehicles sold or leased by the manufacturer for each of the 3 consecutive model years whose last model year immediately precedes the model year for which a classification is established, and by dividing the total by 3.

The data used to calculate the average used to classify a motor vehicle manufacturer are those registered in its name in the register kept under section 11 of the Act.

**5.** The initial classification of a motor vehicle manufacturer that is required to submit a report under section 10 of the Act is established by the Minister for the 2018 model year.

The initial classification of a motor vehicle manufacturer that is not required to submit such report is established by the Minister for the first model year covered by the manufacturer's first report under section 10 of the Act.

**6.** The classification of a large or intermediate volume manufacturer is established by the Minister within 30 days of the deadline provided for in section 10 of the Act, and the classification of a small volume manufacturer, within 30 days of the date on which the Minister receives the manufacturer's first report under that same section.

**7.** Where the classification of a motor vehicle manufacturer is established, the Minister enters it in the register kept under section 11 of the Act and so informs the manufacturer in writing within 15 days of that entry.

**8.** For each model year following the model year for which the initial classification of a motor vehicle manufacturer has been established, the Minister re-evaluates the classification within the same period as the period provided for in section 6, and the Minister informs the manufacturer in writing of the results of the evaluation within 15 days of the evaluation.

The evaluation referred to in the first paragraph does not result in a change of category for a motor vehicle manufacturer, except in the cases provided for in section 9.

**9.** A motor vehicle manufacturer may be reclassified in a new category if

(1) for a model year, the average of the manufacturer's sales and leases of new motor vehicles, calculated in accordance with the second paragraph of section 4, is greater than the maximum value provided for the category in which the manufacturer is classified, and the situation occurs for the 2 following consecutive model years. The same applies if the value of the average is less than the minimum value provided for the category in which the manufacturer is classified;

(2) the manufacturer has reported incomplete or inaccurate information; or

(3) a change occurs in the control of the manufacturer.

**10.** A motor vehicle manufacturer that finds itself in either of the situations referred to in paragraph 1 of section 9 may be reclassified as of the model year immediately following the third of the model years for which any of

the situations re-occurs, in the category just above or, as the case may be, just below the category in which the manufacturer is classified.

A motor vehicle manufacturer that finds itself in the situation referred to in paragraph 2 of section 9 may be reclassified as of the oldest model year for which incomplete or inaccurate information has been provided, in the category corresponding to the real average of its sales and leases for that model year, calculated in accordance with the second paragraph of section 4. In such a situation, the manufacturer will also have to pay to the Minister any sum that would have been paid if its credits had been calculated on the basis of complete and accurate information, and that is claimed by the Minister in accordance with section 47 of the Act.

A motor vehicle manufacturer that finds itself in the situation referred to in paragraph 3 of section 9

(1) if the change occurs following a merger of its enterprise with one or more motor vehicle manufacturers, the motor vehicle manufacturer resulting from the merger will initially be classified as of the second model year following the model year whose year corresponds to the calendar year during which the change occurred; the classification will be established on the basis of the average, for each model year used for its calculation, of the total of the sales and leases of new motor vehicles of all the manufacturers concerned, calculated in accordance with the second paragraph of section 4; or

(2) if the change occurs because the motor vehicle manufacturer concerned divested itself of part of its assets for the benefit of one or more motor vehicle manufacturer that acquire them or that are constituted for that purpose, the reclassification of the motor vehicle manufacturer that divested itself of part of its assets and the manufacturers that acquire them as well as the initial classification of those that are constituted for that purpose will be established, for each of them, as of the second model year following the model year whose year corresponds to the calendar year during which the change occurred; the classification will be established, for each of them, on the basis of the average, for each model year used for the calculation, of the sales and leases of new motor vehicles of the motor vehicle models hence sold or leased by the motor vehicle manufacturer concerned by the calculation, the average being calculated in accordance with the second paragraph of section 4.

**11.** Where a change occurs in the control of a motor vehicle manufacturer, the manufacturer must so inform the Minister in writing within 30 days of the change.

In the case referred to in subparagraph 2 of the third paragraph of section 10, the manufacturer must also, in the same document, inform the Minister of the agreements entered into with the other motor vehicle manufacturers regarding the distribution of credits entered in its name in the register on the date of the change, so that the Minister may make the necessary modifications.

## CHAPTER II CREDITS

### DIVISION I NUMBER AND ACCUMULATION OF CREDITS

**12.** Within 30 days of the deadline provided for in section 10 of the Act, the Minister determines, on the basis of the information reported by the motor vehicle manufacturer, the number of credits that the manufacturer must accumulate for the model year covered by the report and so notify the manufacturer in writing within the same period.

**13.** The number of credits that a large or intermediate volume motor vehicle manufacturer must accumulate for a particular model year is determined by means of a percentage of the average of its sales and leases of new motor vehicles for the same model year, using the following equation:

$$Nc = P \times A$$

where

**Nc** = the number of credits that the motor vehicle manufacturer must accumulate;

**P** = the percentage of the average of the sales and leases of new motor vehicles of the manufacturer for the model year concerned;

**A** = the average of the sales and leases of new motor vehicles of the manufacturer for the model year concerned.

For the purpose of calculating the number of credits that must be accumulated by a motor vehicle manufacturer for a particular model year, the average of its sales and leases of new motor vehicles is obtained by adding the number of new motor vehicles sold or leased by the manufacturer for each of the 3 consecutive model years the last of which precedes by 1 model year the model year for which the number of credits must be determined, and by dividing the total by 3.

The value of the percentage referred to in the first paragraph is determined in the table below, based on the model year concerned by the calculation.

Model year	Value of the percentage (P)
2018	3.50%
2019	6.50%
2020	9.50%
2021	12.00%
2022	14.50%
2023	17.00%
2024	19.50%
2025 and subsequent	22.00%

**14.** As of model year 2020, among the credits that a large volume motor vehicle manufacturer must accumulate for a particular model year, a certain number of the credits may only be accumulated by selling or leasing new or reconditioned zero-emission motor vehicles or new or reconditioned motor vehicles with a range extender, or by acquiring, from another motor vehicle manufacturer, NZEV, RZEV, NVRE or RVRE credits.

The number of credits referred to in the first paragraph is determined using a fraction of the total percentage of the average of its sales and leases of new motor vehicles, using the following equation:

$$Nc \text{ ZEV} = Pf \text{ ZEV} \times A$$

where

**Nc ZEV** = the number of credits that may only be accumulated by the motor vehicle manufacturer by selling or leasing new or reconditioned zero-emission motor vehicles or new or reconditioned motor vehicles with a range extender, or by acquiring NZEV, RZEV, NVRE or RVRE credits;

**Pf ZEV** = a fraction of the total percentage of the average used in the equation in section 13;

**A** = the same average as the average used in the equation in section 13.

The other part of the credits that a large volume motor vehicle manufacturer must accumulate for the model year referred to in the first paragraph may be accumulated by selling or leasing any type of new or reconditioned motor vehicle defined in section 1 or by acquiring, from another motor vehicle manufacturer, credits belonging to any of the categories provided for in section 16.

The fraction of the total percentage of the average referred to in the equation in the second paragraph is determined below, based on the model year concerned by the calculation.

Model year	Total percentage (P) applicable to intermediate and large volume motor vehicle manufacturers subject to the Regulation	Fraction of the total percentage (Pf ZEV) applicable for the part of the credits referred to in the first paragraph	Fraction of the total percentage (Pf) applicable for the part of the credits referred to in the third paragraph
2020	8.75%	5.25%	3.50%
2021	12.00%	8.00%	4.00%
2022	14.50%	10.00%	4.50%
2023	17.00%	12.00%	5.00%
2024	19.50%	14.00%	5.50%
2025 and subsequent	22.00%	16.00%	6.00%

**15.** A motor vehicle manufacturer may accumulate, by selling or leasing reconditioned motor vehicles, or by acquiring, from another motor vehicle manufacturer, NZEV, RZEV, RVRE or RLSV credits, a maximum of 30% of the total of the credits it must accumulate for each period referred to in section 8 of the Act.

A large volume motor vehicle manufacturer may accumulate

(1) by selling or leasing new or reconditioned motor vehicles with a range extender, or by acquiring, from another motor vehicle manufacturer, NVRE or RVRE credits, a maximum of 50% of the credits referred to in section 14, that are related to the sale or lease of zero-emission motor vehicles or the acquisition of NZEV or RZEV credits; or

(2) by selling or leasing new or reconditioned low-speed motor vehicles, or by acquiring, from another motor vehicle manufacturer, NLSV or RLSV credits, a maximum of 25% of the total of the credits it must accumulate for each period referred to in section 8 of the Act.

The total of the credits referred to in the first paragraph and in subparagraph 2 of the second paragraph is calculated in accordance with section 13.

**16.** The credits accumulated by a motor vehicle manufacturer are, in the register kept under section 11 of the Act, classified by groups of 3 model years corresponding to the model years referred to in section 8 of the Act, according to the following categories:

(1) NZEV credits, that is, the credits accumulated by selling or leasing new zero-emission motor vehicles, excluding low-speed vehicles;

(2) RZEV credits, that is, the credits accumulated by selling or leasing reconditioned zero-emission motor vehicles, excluding low-speed vehicles;

(3) NLEV credits, that is, the credits accumulated by selling or leasing new low-emission motor vehicles;

(4) RLEV credits, that is, the credits accumulated by selling or leasing reconditioned low-emission motor vehicles;

(5) NVRE credits, that is, the credits accumulated by selling or leasing new motor vehicles with a range extender;

(6) RVRE credits, that is, the credits accumulated by selling or leasing reconditioned motor vehicles with a range extender;

(7) NLSV credits, that is, the credits accumulated selling or leasing new low-speed motor vehicles;

(8) RLSV credits, that is, the credits accumulated by selling or leasing reconditioned low-speed motor vehicles.

**17.** The credits accumulated by selling or leasing a reconditioned motor vehicle are entered in the register in the name of the motor vehicle manufacturer that sold or leased the vehicle, regardless of its make or model.

**18.** The credits accumulated by selling or leasing a low-speed motor vehicle, whether new or reconditioned, may not be used for the purposes of the requirement provided for in the first paragraph of section 14.

**19.** On a written request by a motor vehicle manufacturer, the Minister may determine the number of credits that it must accumulate for a particular model year by replacing, in the equations in sections 13 and 14, the average provided for therein by the total number of new motor vehicles of that same model year, entered in the register on the date of the calculation, that the manufacturer sold or leased.

For the Minister to follow up on the motor vehicle manufacturer's request, the manufacturer must demonstrate, to the Minister's satisfaction, that the total number of new motor vehicles of the model year covered by its request, that it sold or leased, has, for circumstances beyond its control and that it could not foresee, diminished by not less than 30% in relation to the preceding model year.

The motor vehicle manufacturer's request must be submitted not later than 30 days before the date provided for in the first paragraph of section 10 of the Act.

A request made under the first paragraph may only be submitted for 2 model years of a series of 8 consecutive model years.

## DIVISION II CREDITS TO WHICH THE SALE OR LEASE OF A MOTOR VEHICLE GIVES ENTITLEMENT

### §1. Zero-emission motor vehicles

**20.** The number of credits to which the sale or lease, by a motor vehicle manufacturer, of a new zero-emission motor vehicle gives entitlement is determined using the following equation:

$$Nc\ ZEV = (0.01 \times R \times 0.6214) + 0.50$$

where

Nc ZEV = the number of credits to which the sale or lease of a new zero-emission motor vehicle gives entitlement;

R = the electric range of the motor vehicle, in kilometres.

The electric range of a zero-emission motor vehicle is determined according to the standards and by using the following methods:

(a) the EPA Light-duty Urban Dynamometer Driving Schedule (UDDS) method provided for in U.S. 40 CFR Appendix I to Part 86, used here to measure, for that type of vehicle, the distance it may travel without recharging the battery when travelling in the city without interruption;

(b) for 2014 to 2017 model years, the standards and other methods provided for in the document entitled California Exhaust Emission Standards and Test Procedures for 2009 through 2017 Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes, published by the California Air Resources Board;

(c) for 2018 and subsequent model years, the standards and other methods provided for in the document entitled California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium-Duty Vehicle Classes, published by the California Air Resources Board.

Where the result of the equation referred to in the first paragraph includes more than 3 decimals, it is rounded to the nearest third decimal.

**21.** The number of credits to which the sale or lease of a reconditioned zero-emission motor vehicle gives entitlement is determined by means of a percentage of the number of credits to which the sale or lease of a new zero-emission motor vehicle of the same model and the same model year gives entitlement. That percentage varies depending on the number of kilometres indicated on the odometer of the vehicle concerned, according to the values and percentages provided for in the following table.

Number of kilometres indicated on the odometer	Percentage of the number of credits to which the sale or lease of a new zero-emission motor vehicle of the same model and the same model year gives entitlement
between 0 and 10,000 km	80%
between 10,001 and 20,000 km	75%
between 20,001 and 30,000 km	60%
between 30,001 and 40,000 km	50%

**22.** The maximum number of credits to which the sale or lease of a new zero-emission motor vehicle gives entitlement is 4.00.

The maximum number of credits to which the sale or lease of a reconditioned zero-emission motor vehicle gives entitlement is calculated on the basis of a percentage of the maximum number of credits to which the sale or lease of a new zero-emission motor vehicle gives entitlement. The value of that percentage is set by using the same data as those provided for in the table in section 21.

**23.** A new zero-emission motor vehicle whose electric range is less than 80.47 km gives entitlement to no credit.

**24.** A motor vehicle with a range extender is considered, for the purpose of calculating the number of credits and the maximum number of credits to which the sale or lease of such a motor vehicle gives entitlement, a zero-emission vehicle.

**25.** This subdivision does not apply to a low-speed motor vehicle.

§2. *Low-emission motor vehicles*

**26.** The number of credits to which the sale or lease of a new low-emission motor vehicle gives entitlement is calculated on the basis of the vehicle's electric range, according to the values and, if applicable, the equation provided for in the following table.

Vehicle's electric range, in km	Number of credits
less than 16 km	0
between 16 and 129 km	$(0.01 \times R \times 0.6214) + 0.3$
more than 129 km	1.10

where

R = the electric range of the motor vehicle, in kilometres.

The electric range of a low-emission motor vehicle is determined by using the UDDS method, referred to in subparagraph *a* of the second paragraph of section 20, and using the value called Equivalent all electric range (EAER) contained therein, and complying with the standards and using the methods referred to, according to the vehicle's model year, in subparagraph *b* or *c* of the second paragraph of section 20.

Where the result of the equation referred to in the first paragraph includes more than 3 decimals, it is rounded to the nearest third decimal.

**27.** A new low-emission motor vehicle whose electric range, determined by using method EPA US06 Driving Schedule for Light-Duty Vehicles and Light-Duty Trucks provided for in U.S. 40 CFR Appendix I to Part 86 and also, according to the model year, in the following sections of the documents listed below and complying with the standards and using the other methods provided for therein, is not less than 16 km, gives entitlement to 0.20 additional credits:

(a) for the model years up to 2017, section G.7.5 of the document entitled California Exhaust Emission Standards and Test Procedures for 2009 through 2017 Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium Duty Vehicle Classes;

(b) for the 2018 and subsequent model years, section G.7.3 of the document entitled California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero-Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light-Duty Truck and Medium Duty Vehicle Classes.

**28.** The number of credits to which the sale or lease of a reconditioned low-emission motor vehicle gives entitlement is calculated in the same manner and by using the same values for the number of kilometres and percentage as for a motor vehicle referred to in section 21.

**29.** The maximum number of credits to which the sale or lease of a new low-emission motor vehicle gives entitlement is 1.30.

The maximum number of credits to which the sale or lease of a reconditioned low-emission motor vehicle gives entitlement is calculated on the basis of a percentage of the maximum number of credits to which the sale or lease of a new low-emission motor vehicle gives entitlement. The value of that percentage is set by using the same data as those provided for in the table in section 21.

§3. *Low-speed motor vehicles*

**30.** The sale or lease of a new low-speed motor vehicle gives entitlement to 0.15 credits.

The maximum number of credits to which the sale or lease of a reconditioned low-speed motor vehicle gives entitlement is calculated on the basis of a percentage of the maximum number of credits to which the sale or lease of a new low-speed motor vehicle gives entitlement. The value of that percentage is set by using the same data as those provided for in the table in section 21.

**CHAPTER III**  
**CHARGE**

**31.** The charge referred to in section 8 of the Act, payable to the Minister by every motor vehicle manufacturer that, at the end of the period provided for in that section, has not accumulated the total number of credits that it had to accumulate for the 3 model years covered by that period, is calculated using the following equation:

$$C = (Nce - Nca) \times Vc$$

where

C = the charge payable by the motor vehicle manufacturer concerned;

Nce = the number of credits that the motor vehicle manufacturer should have accumulated;

Nca = the number of credits accumulated by the motor vehicle manufacturer;

Vc = the value of a credit for calculating the charge.



For calculating the charge, the value of a credit is set at \$5,000.

The charge calculated under the first paragraph is payable in one installment.

**32.** For the purpose of determining if a motor vehicle manufacturer must pay a charge, the Minister considers the total number of credits that the manufacturer should have accumulated and the total number of those the manufacturer has accumulated for each group of 3 model years covered by a period.

#### CHAPTER IV REPORTS

**33.** The report provided for in section 7 of the Act is made under oath and is sent in writing. It must contain

- (1) the contact information of the motor vehicle manufacturer that alienated the credit;
- (2) the contact information of the motor vehicle manufacturer to which the credit was alienated;
- (3) the contact information of the person responsible for the report for the motor vehicle manufacturer;
- (4) the class of motor vehicle which gave entitlement to the credit, that is, a low-speed, low-emission or zero-emission motor vehicle or a motor vehicle with a range extender;
- (5) whether the motor vehicle which gave entitlement to the alienated credit was new or reconditioned;
- (6) the period of 3 consecutive calendar years during which the alienated credit was accumulated;
- (7) the number of alienated credits;
- (8) a report that the alienation of the credit is evidenced in writing between the parties to the contract;
- (9) the date of the alienation of the credit; and
- (10) the date on which the contract between the motor vehicle manufacturers concerned was signed.

**34.** The report provided for in section 10 of the Act is sent to the Minister in writing. It must contain

- (1) the contact information of the motor vehicle manufacturer submitting the report;
- (2) the contact information of the person responsible for the report for the motor vehicle manufacturer;

(3) for each model year covered by the report,

(a) the number of new motor vehicles sold or leased by the manufacturer; and

(b) the number of new motor vehicles sold or leased by the manufacturer, by type of model of those vehicles;

(4) for each type of model of motor vehicle covered by the report,

(a) its trademark;

(b) its model;

(c) the type of model;

(d) its specifications;

(e) its gross weight rating; and

(f) if applicable, the quantity of carbon dioxide, methane and nitrous oxide emitted by the vehicle, per kilometre, in the city or on the highway, calculated in accordance with section 35; and

(5) in addition to the information referred to in paragraph 4, for each low-speed, low-emission and zero-emission motor vehicle sold or leased by the motor vehicle manufacturer,

(a) the number allocated to it in the list published by the Minister under section 5 of the Act;

(b) the motor vehicle's identification number;

(c) whether the vehicle was new or reconditioned at the time of its initial sale or lease;

(d) in the case of a reconditioned motor vehicle, the number of kilometres at the time of its sale or lease and a report that it meets the conditions set in the definition of such a vehicle in section 1;

(e) the date of its initial sale or lease to an automobile dealership; and

(f) the contact information of the automobile dealership referred to in subparagraph e.

**35.** The values of the carbon dioxide, methane and nitrous oxide emissions, in grams, emitted by the motor vehicle, per kilometre, when travelling in the city, are determined according to the quantitative evaluation methods provided for in the regulatory provisions, Emission Regulations for 1977 and Later model Year New Light-Duty Vehicles and New light-Duty Trucks and New Otto-Cycle Complete Heavy-Duty Vehicles; Test

Procedures, U.S. 40 CFR, Part 86, Subpart B, and the emissions of such a vehicle, per kilometre, when travelling on the highway, are measured according to the technical requirements of the method Highway Test Procedure provided for in the regulatory provisions Fuel Economy and Carbon-Related Exhaust Emission Test Procedures, U.S. 40 CFR, Part 600, Subpart B.

The values of the methane and nitrous oxide emissions referred to in the first paragraph may be replaced by a value of 1.2 grams equivalent carbon dioxide per kilometre.

**36.** Motor vehicle manufacturers that submit a report under the Act must keep every supporting document used to submit that report for not less than 8 years as of the date on which the report was sent, and they must provide those supporting documents to the Minister on request.

#### CHAPTER V MONETARY ADMINISTRATIVE PENALTIES

**37.** A monetary administrative penalty of \$1,000 may be imposed to a motor vehicle manufacturer that fails to keep every supporting document referred to in section 36 for the period prescribed therein.

**38.** A monetary administrative penalty of \$1,500 may be imposed to a motor vehicle manufacturer that

(1) fails to send to the Minister any information or document required under this Regulation or necessary for its application; or

(2) fails to inform the Minister, as soon as possible, of a change in the control of its enterprise.

#### CHAPTER VI OFFENCES

**39.** Every motor vehicle manufacturer that fails to keep any supporting document referred to in section 36 during the period prescribed therein is liable to a fine of not less than \$3,000 nor more than \$600,000.

**40.** Every motor vehicle manufacturer that

(1) fails to send to the Minister any information or document required under this Regulation or necessary for its application; or

(2) fails to inform the Minister, as soon as possible, of a change in the control of its enterprise is liable to a fine of not less than \$6,000 nor more than \$600,000.

**41.** Every motor vehicle manufacturer that sends to the Minister false or misleading information is liable to a fine of not less than \$30,000 nor more than \$1,500,000.

#### CHAPTER VII MISCELLANEOUS, TRANSITIONAL AND FINAL

**42.** The data required from the motor vehicle manufacturers under this Regulation must be provided in metric units.

**43.** Where the result of an equation or a calculation referred to in this Regulation contains more than 2 decimals, it is rounded to the nearest second decimal.

**44.** A motor vehicle manufacturer may accumulate credits for the sale and lease of new motor vehicles and of reconditioned motor vehicles of the 2014 to 2017 model years that, in addition to the requirements provided for in the Act, meet any of the definitions in section 1. Division II of Chapter II then apply to them.

The credits accumulated under the first paragraph are recorded for the first period for which the Minister establishes the credits accumulated by a motor vehicle manufacturer under section 8 of the Act and they may be used by that manufacturer for any of the model years covered by that period.

**45.** Taking into account the provisions of sections 64 and 65 of the Act, the first report of a motor vehicle manufacturer must contain the total number of new motor vehicles sold or leased for each of the 5 consecutive model years the last of which immediately precedes the model year whose year corresponds to the calendar year during which the report is submitted.

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

103265

Gouvernement du Québec

**O.C. 1225-2017, 13 December 2017**

Taxation Act  
(chapter I-3)

#### Remission regulation respecting the tax shield for the taxation year 2016

Remission regulation respecting the tax shield for the taxation year 2016

WHEREAS, under section 1029.8.116.38 of the Taxation Act (chapter I-3), a tax shield is granted to offset, following an increase in work income, part of the loss of work incentive tax benefits;