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Bill 32

An Act to amend the Ontario Energy Board Act, 1998

The Hon. M. McNaughton
Minister of Infrastructure

Government Bill

1st Reading September 19, 2018

2nd Reading

3rd Reading

Royal Assent



EXPLANATORY NOTE

The *Ontario Energy Board Act, 1998* is amended to provide rate protection for consumers or classes of consumers with respect to costs incurred by a gas distributor in making a qualifying investment for the purpose of providing access to a natural gas distribution system to those consumers. Gas distributors are entitled to be compensated for any resulting lost revenue and all consumers, or such classes of consumers as are prescribed, are required to contribute toward the compensation.

An Act to amend the Ontario Energy Board Act, 1998

Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1 The *Ontario Energy Board Act, 1998* is amended by adding the following section:**Rate protection — expansion of natural gas distribution systems****Definition**

36.2 (1) In this section,

“qualifying investment” means an investment that satisfies the prescribed criteria.

Board to provide rate protection

(2) The Board, in approving just and reasonable rates for a gas distributor, shall provide rate protection for consumers or prescribed classes of consumers with respect to costs incurred by the gas distributor in making a qualifying investment for the purpose of providing access to a natural gas distribution system to those consumers by reducing the rates that would otherwise apply in accordance with the prescribed rules.

Compensation

(3) A gas distributor is entitled to be compensated for lost revenue resulting from the rate reduction provided under subsection (2).

Liability

(4) All consumers, or such classes of consumers as are prescribed, are required, in accordance with the regulations, to contribute towards the amount of any compensation required under subsection (3).

Information, etc.

(5) If provided for in the regulations, the Board, gas distributors and other prescribed persons or entities shall provide such information and reports to the Ministry of Energy, Northern Development and Mines and to one another as are necessary to facilitate the implementation, administration, funding and delivery of the rate protection or of anything else provided for in this section.

Regulations

(6) The Lieutenant Governor in Council may make regulations,

- (a) prescribing criteria for the purposes of the definition of “qualifying investment” in subsection (1);
- (b) prescribing the consumers or classes of consumers eligible for rate protection under this section;
- (c) prescribing rules for the calculation of the amount of the rate reduction;
- (d) prescribing maximum amounts of the total annual value of rate protection that may be provided under this section;
- (e) prescribing classes of consumers for the purposes of subsection (4);
- (f) providing that certain classes of consumers are required to contribute towards the amount of compensation only in respect of certain gas distributors;
- (g) prescribing rules respecting the amounts that must be collected to compensate gas distributors, including rules,
 - (i) respecting the calculation of those amounts,
 - (ii) establishing the time and manner of collection,
 - (iii) requiring the amounts to be paid in instalments and requiring the payment of interest or penalties on late payments,
 - (iv) prescribing methods of ensuring that the amounts required cannot be bypassed, and
 - (v) respecting the distribution of the amounts collected;

- (h) respecting the use of money collected in excess of the amount required to compensate gas distributors;
- (i) prescribing the powers and duties of the Board in relation to the calculation of amounts to be collected and the time and manner of collection and distribution;
- (j) providing for and governing the provision of information and reports under subsection (5);
- (k) prescribing persons or entities for the purposes of subsection (5);
- (l) requiring a gas distributor, the Board or other persons or entities to make or receive payments in respect of rate protection under this section, including prescribing the circumstances in which such payments are to be made and received;
- (m) governing invoices issued to consumers who are members of a class of consumers prescribed for the purposes of subsection (2) or (4) in respect of rate protection under this section, including,
 - (i) prescribing information that must or may be included on or with the invoices,
 - (ii) prescribing requirements that the invoices must meet,
 - (iii) prescribing the form of the invoice, including prescribing different requirements and forms, and
 - (iv) respecting the manner in which the invoices are to be provided to consumers;
- (n) respecting any other matter that the Lieutenant Governor in Council considers necessary in relation to the rate protection.

Retroactivity

- (7) A regulation made under this section is, if it so provides, effective with reference to a period before it is filed.

General or particular

- (8) A regulation under this section may be general or particular in application and may prescribe different rules for different persons or classes of persons.

Commencement

2 This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

3 The short title of this Act is the *Access to Natural Gas Act, 2018*.