

chapter R-6.01

AN ACT RESPECTING THE RÉGIE DE L'ÉNERGIE

CHAPTER I APPLICATION

1. This Act applies to the supply, transmission and distribution of electric power and to the supply, transmission, distribution and storage of natural gas delivered or intended for delivery by pipeline to a consumer.

This Act also applies to any other energy matter to the extent provided for herein.

1996, c. 61, s. 1; 2000, c. 22, s. 1.

2. In this Act, unless the context indicates otherwise,

“electric power carrier” means Hydro-Québec when carrying on electric power transmission activities;

“electric power distribution system” means a network of installations for the distribution of electric power once it leaves transformation substations, including distribution lines at voltages below 44 kV and any equipment located between such lines and connecting points to consumer installations and, in the case of independent electric power distribution systems of the electric power distributor, a network of works, machinery, equipment and installations used for the production, transmission and distribution of electric power;

“electric power distributor” means Hydro-Québec when carrying on electric power distribution activities;

“electric power supplier” means any electric power producer or trader supplying electric power;

“electric power supply” means electric power made available or sold to the electric power distributor by a supplier or a representative;

“electric power supply contract” means a contract entered into between the electric power distributor and a supplier for the purpose of meeting the electric power needs of Québec markets;

“electric power transmission system” means a network of installations for the transmission of electric power, including step-up transformers located at production sites, transmission lines at voltages of 44 kV or higher, transmission and transformation substations and any other connecting installation between production sites and the distribution system;

“energy” means electric power, natural gas, steam, petroleum products and any other form of energy, hydraulic, thermic or other;

“municipal or private electric power system” means an electric power system governed by the Act respecting municipal and private electric power systems (chapter S-41);

“natural gas” means methane in gaseous or liquid form, except biogas and syngas;

“natural gas distribution system” means a network of conduits, equipment, apparatus, structures, gas meters, meters and other devices and accessories for the supply, transmission or delivery of natural gas in a given territory, excluding any gas pipe or line installed in, under or on the outer surface of a house, plant, building or other structure of a consumer;

“natural gas distributor” means a person or partnership holding exclusive natural gas distribution rights or exercising such rights as lessee, trustee, liquidator or trustee in bankruptcy or in any other capacity;

“petroleum products” means a mixture of hydrocarbons used as motor fuel, heating oil or lubricant, except liquefied gas;

“petroleum products distributor” means anyone who supplies a retailer of petroleum products;

“steam distributor” means anyone who distributes or supplies steam for heating purposes by means of pipes to a consumer;

“storage” means any accumulation of natural gas in an underground or overground reservoir.

Any supply of electric power by Hydro-Québec to the electric power distributor is deemed to constitute a supply contract. Any electric power transmission service provided to Hydro-Québec by the electric power carrier is deemed to constitute a transmission service contract.

1996, c. 61, s. 2; 2000, c. 22, s. 2; 2006, c. 46, s. 28.

2.1. For the purposes of sections 36 and 44, Division I of Chapter VI.1, Chapters VII and VIII and sections 112 and 114, municipal or private electric power systems and the Coopérative régionale d'électricité de Saint-Jean-Baptiste de Rouville governed by the Act respecting the Coopérative régionale d'électricité de Saint-Jean-Baptiste de Rouville and repealing the Act to promote rural electrification by means of electricity cooperatives (1986, chapter 21) are deemed to be distributors.

2000, c. 22, s. 3; 2006, c. 46, s. 29.

2.2. For the purposes of sections 36, 44 and 56, Chapter VIII and section 112, persons or partnerships that refine petroleum products intended for Québec markets in Québec, trade petroleum products intended for Québec markets with a refiner in Québec or bring petroleum products intended for Québec markets into Québec are deemed to be distributors.

2001, c. 16, s. 1; 2006, c. 46, s. 30.

3. This Act is binding on the Government, government departments and bodies that are mandataries of the State.

1996, c. 61, s. 3; 1999, c. 40, s. 245.

CHAPTER II

ORGANIZATION AND OPERATION OF THE RÉGIE

DIVISION I

ESTABLISHMENT

4. A board to be known as the “Régie de l'énergie” is hereby established.

1996, c. 61, s. 4.

5. In the exercise of its functions, the Régie shall reconcile the public interest, consumer protection and the fair treatment of the electric power carrier and of distributors. It shall promote the satisfaction of energy needs through sustainable development and with due regard for equity both on the individual and collective planes.

1996, c. 61, s. 5; 2000, c. 22, s. 4.

6. The head office of the Régie shall be situated at the place determined by the Government; a notice of the address of the head office shall be published in the *Gazette officielle du Québec*. The Régie may have offices at any other place in Québec.

The Régie may sit anywhere in Québec.

1996, c. 61, s. 6.

DIVISION II

COMPOSITION

7. The Régie shall be composed of seven commissioners appointed by the Government, including a chairman and a vice-chairman. The commissioners shall exercise their functions on a full-time basis.

The Government may, where required for the proper dispatch of business, appoint full-time or part-time supernumerary commissioners.

1996, c. 61, s. 7.

8. The Government may establish a selection procedure applicable to commissioners and, among other things, provide for the creation of a selection committee.

The selection procedure established under this section need not be followed to reappoint a commissioner.

1996, c. 61, s. 8.

9. A commissioner may not, on pain of forfeiture of office, have a direct or indirect interest in any enterprise that could cause a conflict between his personal interest and his duties of office, unless the interest devolves to him by succession or gift and he renounces it or disposes of it with dispatch.

1996, c. 61, s. 9.

10. The term of office of a commissioner is five years.

However, the term of office of a supernumerary member shall either be determined in the instrument of appointment and not exceed two years, or be determined by reference to a special mandate specified in the instrument of appointment.

1996, c. 61, s. 10.

11. The chairman of the Régie may authorize a commissioner to continue the examination of an application and make a decision notwithstanding the expiry of his term. He shall be considered a supernumerary member for the time required.

1996, c. 61, s. 11.

12. The Government shall fix the remuneration, employment benefits and other conditions of office of the chairman, the vice-chairman and the other commissioners.

1996, c. 61, s. 12.

13. The secretary and the other members of the personnel of the Régie shall be appointed in accordance with the staffing plan established by by-law of the Régie.

Subject to the provisions of a collective agreement, the Régie shall determine, by by-law, the standards and scales of remuneration, employee benefits and other conditions of employment of the members of its personnel in accordance with the conditions defined by the Government.

1996, c. 61, s. 13; 2000, c. 8, s. 183.

DIVISION III

OPERATION

14. The chairman shall coordinate and distribute the work of the commissioners. He is responsible for the administration of the Régie and supervises its personnel.

1996, c. 61, s. 14.

15. The vice-chairman or the commissioner designated by the Government shall exercise the powers of the chairman if he is absent or unable to act.

1996, c. 61, s. 15.

16. Applications filed with the Régie, other than applications referred to in section 96, shall be examined and decided by three commissioners.

However, the chairman may designate a single commissioner to examine and decide an application referred to in

(1) subparagraph 5 of the first paragraph of section 31; or

(2) the second paragraph of section 31, except an application filed under the first paragraph of section 16 of the Act respecting municipal and private electric power systems (chapter S-41).

1996, c. 61, s. 16; 1997, c. 83, s. 41; 2000, c. 22, s. 5.

17. If a commissioner becomes unable to act or dies before a decision is made, the two remaining commissioners may, if unanimous, make the decision.

If a commissioner designated to decide an application becomes unable to act or dies before making a decision, the chairman may, if all participants agree, designate another commissioner who shall examine the record in its entirety, continue processing the case and make a decision. Failing agreement, the matter shall be referred to the chairman for examination in accordance with section 16.

1996, c. 61, s. 17.

18. Every decision of the Régie shall be given with diligence and include the reasons therefor; it forms part of the records of the Régie and a certified copy shall be forwarded by the Régie without delay to the participants and the Minister. The Régie shall also send to the Minister a copy of any related document he may request.

Moreover, every decision made by the Régie under section 59 shall be published in the *Gazette officielle du Québec*.

1996, c. 61, s. 18.

19. Any document of the Régie signed by the chairman or by any person designated by the chairman is authentic. Any copy of a document of the Régie certified true by the chairman or any person so designated is also authentic.

1996, c. 61, s. 19.

20. The Régie may adopt internal management rules for the conduct of its business. Such rules require the approval of the Government. They shall come into force on the date of their publication in the *Gazette officielle du Québec* or on any later date determined by the Government.

1996, c. 61, s. 20.

21. The secretary shall carry out the duties assigned to him by the chairman. The secretary shall have custody of the records of the Régie.

1996, c. 61, s. 21.

22. No judicial proceedings may be brought against the Régie, the commissioners, the secretary or the other members of the personnel of the Régie by reason of an official act done in good faith in the exercise of their functions.

1996, c. 61, s. 22.

23. The fiscal year of the Régie ends on 31 March.

1996, c. 61, s. 23.

24. Not later than 30 June each year, the Régie shall submit a report to the Minister concerning its operations in the preceding fiscal year. The report shall include a statement of the applications filed with the Régie, the decisions of the Régie and the number, nature and results of the inquiries made in the year. The report shall also contain any other information requested by the Minister concerning the operations of the Régie.

The Minister shall table the report in the National Assembly within 30 days of receiving it or, if the Assembly is not sitting, within 30 days of resumption.

1996, c. 61, s. 24.

DIVISION IV

PUBLIC HEARINGS

25. The Régie shall hold a public hearing

(1) when examining an application under section 48, 65, 78 or 80;

(2) when determining the elements making up operating costs and determining an amount pursuant to section 59;

(2.1) (*subparagraph repealed*);

(3) when so required by the Minister, on any energy matter;

(4) when establishing the performance-based regulation provided for in section 48.1.

The Régie may call a public hearing on any matter within its jurisdiction.

1996, c. 61, s. 25; 2006, c. 46, s. 31; 2011, c. 16, Sch. II, s. 46; 2013, c. 16, s. 1.

26. Before holding a public hearing, the Régie shall issue written instructions in which it shall fix the date for the filing of all documents and information relevant to the submissions the participants intend to make and the place and date of the hearing and shall provide any other information it considers necessary.

The Régie may direct that participants present their observations and arguments in writing.

The Régie may order a participant to publish the instructions as determined by the Régie.

1996, c. 61, s. 26.

27. The chairman of the Régie or any commissioner designated by the chairman may call the participants to a pre-hearing conference if he considers it useful and the circumstances allow it.

1996, c. 61, s. 27.

28. The purpose of a pre-hearing conference is to

- (1) define and clarify the issues to be dealt with at the public hearing;
- (2) assess the advisability of better defining the positions of the participants as well as the solutions proposed;
- (3) ensure that all relevant documents and information are exchanged by the participants;
- (4) plan the conduct of the public hearing;
- (5) examine the possibility for the participants of recognizing certain facts or of proving them by means of sworn statements; and
- (6) examine any other matter that may simplify or accelerate the conduct of the public hearing.

1996, c. 61, s. 28.

29. Minutes of the pre-hearing conference shall be drawn up and signed by the participants and by the chairman or the commissioner who called the participants to the conference.

Agreements and decisions recorded in the minutes shall, as far as they may apply, govern the conduct of the public hearing unless the Régie, when hearing the participants, permits a derogation therefrom to prevent an injustice.

1996, c. 61, s. 29.

30. The Régie may ban or restrict the disclosure, publication or release of any information or documents it indicates, if the confidentiality thereof or the public interest so requires.

1996, c. 61, s. 30.

CHAPTER III

FUNCTIONS AND POWERS

DIVISION I

JURISDICTION

31. It is within the exclusive jurisdiction of the Régie to

(1) fix or modify the rates and conditions for the transmission of electric power by the electric power carrier or the distribution of electric power by the electric power distributor, and the rates and conditions for the supply, transmission or delivery of natural gas by a natural gas distributor or for the storage of natural gas;

(2) monitor the operations of holders of exclusive electric power or natural gas distribution rights to ensure that consumers are adequately supplied;

(2.1) monitor the operations of the electric power carrier, the electric power distributor and natural gas distributors to ensure that consumers are charged fair and reasonable rates;

(3) *(subparagraph repealed)*;

(4) examine any complaint filed by a consumer concerning the application of a rate or a condition for the transmission of electric power by the electric power carrier or the distribution of electric power by the electric power distributor, by a municipal or private electric power system or by the Coopérative régionale d'électricité de Saint-Jean-Baptiste de Rouville, and ensure that the consumer is charged the rate and is subject to the conditions applicable to the consumer;

(4.1) examine any complaint filed by a consumer concerning the application of a rate or a condition for the supply, transmission, delivery or storage of natural gas by a natural gas distributor and ensure that the consumer is charged the rate and is subject to the conditions applicable to the consumer;

(4.2) *(subparagraph repealed)*;

(5) decide any other application filed under this Act.

It is also within the exclusive jurisdiction of the Régie to decide applications under section 30 of the Hydro-Québec Act (chapter H-5), paragraph 3 of section 12 and sections 13 and 16 of the Act respecting municipal and private electric power systems (chapter S-41), and sections 2 and 10 of the Act respecting the Coopérative régionale d'électricité de Saint-Jean-Baptiste de Rouville and repealing the Act to promote rural electrification by means of electricity cooperatives (Statutes of Québec, 1986, chapter 21).

1996, c. 61, s. 31; 2000, c. 22, s. 6; 2006, c. 46, s. 32; 2011, c. 16, Sch. II, s. 47.

32. The Régie, on its own initiative or on the application of any interested person, may

(1) determine the rate of return of the electric power carrier or the electric power distributor or of a natural gas distributor;

(2) determine the cost of service allocation method applicable to the electric power carrier or the electric power distributor or to a natural gas distributor;

(3) formulate general principles for the determination and application of rates fixed by the Régie; or

(3.1) determine the accounting and financial methods applicable to the electric power carrier, to the electric power distributor and to each natural gas distributor;

(4) *(paragraph repealed)*.

1996, c. 61, s. 32; 2000, c. 22, s. 7.

32.1. The Régie may enter into an agreement in accordance with the law with another government or a department or body of such a government or with an international organization or a body of such an organization.

For the purposes of Division II of Chapter I of the Act respecting energy efficiency and innovation (chapter E-1.3), the Régie may enter into agreements with the Minister of Natural Resources and Wildlife.

2006, c. 46, s. 33; 2011, c. 16, Sch. II, s. 48.

33. Before making a decision which may modify the use of an immovable situated in a reserved area or in an agricultural zone established in accordance with the Act respecting the preservation of agricultural land and agricultural activities (chapter P-41.1), the Régie must obtain the advice of the Commission de protection du territoire agricole du Québec.

1996, c. 61, s. 33; 1996, c. 26, s. 85.

34. The Régie may decide an application in part only.

It may make any decision or issue any order it considers appropriate to safeguard the rights of the persons concerned.

1996, c. 61, s. 34.

35. The Régie may make such inquiries as are necessary for the exercise of its functions and, to that end, the commissioners are vested with the powers and immunity of commissioners appointed under the Act respecting public inquiry commissions (chapter C-37), except the power to order imprisonment.

The commissioners are also vested with all powers necessary for the exercise of their functions.

1996, c. 61, s. 35.

36. The Régie may order the electric power carrier or any electric power or natural gas distributor to pay all or part of the costs incurred in respect of any matter submitted to the Régie or the costs incurred to enforce the decisions or orders of the Régie.

The Régie may order the electric power carrier or any electric power or natural gas distributor to pay all or part of the expenses, including expert fees, of any person whose participation in Régie proceedings is considered useful by the Régie.

Where it is warranted by the public interest, the Régie may pay the expenses of groups formed to take part in its public hearings.

1996, c. 61, s. 36; 2000, c. 22, s. 8; 2001, c. 16, s. 2; 2006, c. 46, s. 34; 2011, c. 16, Sch. II, s. 49.

37. The Régie, on its own initiative or on application, may revise or revoke any decision it has made

(1) where a new fact is discovered which, had it been known in time, could have justified a different decision;

(2) where an interested person was unable, for sufficient cause, to present observations; or

(3) where a substantive or procedural defect is likely to invalidate the decision.

Before revising or revoking a decision, the Régie must give the persons concerned an opportunity to present observations.

In the case set out in subparagraph 3 of the first paragraph, the decision may not be revised or revoked by the commissioners having made the decision.

1996, c. 61, s. 37.

38. A decision containing an error in writing or in calculation or any other clerical error may be rectified by the Régie.

1996, c. 61, s. 38.

39. The Régie or any interested person may deposit a certified copy of a decision or order made under this Act at the office of the clerk of the Superior Court of the district in which the head office or an establishment of the distributor is situated.

A decision or order deposited as in the first paragraph has the same force and effect as a judgment emanating from the Superior Court.

1996, c. 61, s. 39; 1999, c. 40, s. 245.

40. No appeal lies from a decision of the Régie.

1996, c. 61, s. 40.

41. Except on a question of jurisdiction, no remedy under article 33 of the Code of Civil Procedure (chapter C-25) or extraordinary recourse within the meaning of that Code may be exercised and no injunction may be granted against the Régie or against any of its commissioners acting in their official capacity.

A judge of the Court of Appeal may, upon a motion, annul by a summary proceeding any proceeding brought or decision made contrary to the first paragraph.

1996, c. 61, s. 41.

42. The Régie shall advise the Minister on any energy matter submitted to the Régie by the Minister and may, on its own initiative, advise the Minister on any matter within its jurisdiction.

1996, c. 61, s. 42.

DIVISION II

INSPECTION AND INQUIRIES

43. The chairman of the Régie may, for the purposes of this Act, designate any person in writing, generally or specially, to make an inquiry or an inspection.

1996, c. 61, s. 43.

44. A person designated to make an inspection may

(1) at any reasonable hour, enter the establishment or upon the property of the electric power carrier, of an entity described in section 85.3, of a distributor or of the reliability coordinator;

(2) examine and make copies of books, records, accounts, files and other documents relating to the supply, transmission, distribution, purchase, sale or consumption of energy or to the storage of natural gas; and

(3) require any information pertaining to the application of this Act, and the production of any related document.

Every person having custody, possession or control of such books, records, accounts, files or other documents shall, on request, give access to them to the designated person and facilitate his examination of them.

A designated person exercising powers under the first paragraph shall, on request, identify himself and show a document attesting his capacity.

1996, c. 61, s. 44; 2000, c. 22, s. 9; 2006, c. 46, s. 35; 2010, c. 8, s. 1.

45. No judicial proceedings may be brought against a person designated to make an inquiry or an inspection by reason of an official act done in good faith in the performance of his duties.

1996, c. 61, s. 45.

46. No person may hinder the work of a person designated to make an inquiry or an inspection in the performance of his duties.

1996, c. 61, s. 46.

47. No person may refuse to provide any information or document required under this Act or make, concur in or authorize a false or misleading statement in the course of an inspection or in response to an order or request of the Régie.

1996, c. 61, s. 47; 2006, c. 46, s. 36.

CHAPTER IV

RATE DETERMINATION

48. The Régie shall, on the application of an interested person or on its own initiative, fix or modify the rates and conditions for the transmission of electric power by the electric power carrier or for the distribution of electric power by the electric power distributor or the rates and conditions for the supply, transmission or delivery of natural gas by a natural gas distributor or for the storage of natural gas. The Régie may in particular require the electric power carrier, the electric power distributor or a natural gas distributor to file a modification proposal.

Applications must be filed with the documents and fees prescribed by regulation. Applications filed by the electric power distributor or a natural gas distributor must include a document describing the impact a rate increase would have on low-income earners.

1996, c. 61, s. 48; 2000, c. 22, s. 10; 2006, c. 46, s. 37.

48.1. The Régie shall establish a performance-based regulation to ensure efficiency gains by the electric power distributor and the electric power carrier.

The regulation must pursue the following objectives:

(1) ongoing improvement in performance and service quality;

(2) cost reduction that is beneficial to both consumers and the distributor or carrier; and

(3) streamlining of the process by which the Régie fixes or modifies the rates the electric power carrier and the electric power distributor charge consumers or a class of consumers.

2013, c. 16, s. 2.

49. When fixing or modifying rates for the transmission of electric power or for the transmission, delivery or storage of natural gas, the Régie shall, in particular,

(1) determine the rate base of the electric power carrier or of the natural gas distributor after giving due consideration, in particular, to the fair value of the assets the Régie considers prudently acquired and useful for the operation of the electric power transmission system or of a natural gas distribution system, as well as to the unamortized research and development and marketing expenditures, commercial programs, pre-operating costs and working capital required for the operation of such systems;

(2) determine the overall amounts of expenditure the Régie considers necessary for the provision of the service, including, as concerns all rates, expenditures attached to commercial programs and, as concerns transmission rates, expenditures attached to transmission service contracts entered into with another enterprise for the purpose of allowing the electric power carrier to use its own electric power transmission system;

(3) allow a reasonable return on the rate base;

(4) favour measures or incentives to improve the performance of the electric power carrier or a natural gas distributor and the satisfaction of consumer needs;

(5) ensure that financial ratios are maintained;

(6) consider the cost of service, the varying risks according to classes of consumers and, as concerns natural gas rates, the competition between the various forms of energy and the maintenance of equity between rate classes;

(7) ensure that the rates and other conditions for the provision of the service are fair and reasonable;

(8) consider the sales forecasts;

(9) consider service quality;

(10) consider such economic, social and environmental concerns as have been identified by order by the Government; and

(11) maintain, subject to any government order to the contrary, uniform rates throughout the territory served by the electric power transmission system.

When fixing rates for the delivery of natural gas, the Régie must also consider the total annual amount a natural gas distributor allocates to energy efficiency and innovation.

The Régie may, in respect of a consumer or class of consumers, fix rates to compensate for energy savings which are not beneficial for a natural gas distributor but are beneficial for the consumer or class of consumers.

The Régie may use any other method it considers appropriate.

1996, c. 61, s. 49; 2000, c. 22, s. 11; 2006, c. 46, s. 38; 2011, c. 16, Sch. II, s. 50.

50. The fair value of the assets of the electric power carrier or a natural gas distributor shall be determined on the basis of the original cost, less depreciation.

1996, c. 61, s. 50; 2000, c. 22, s. 12.

51. No electric power transmission tariff or natural gas transmission or delivery tariff may impose higher rates or more onerous conditions than are necessary to cover capital and operating costs, to maintain the stability of the electric power carrier or a natural gas distributor and the normal development of a transmission or distribution system or to provide a reasonable return on the rate base.

The same applies to the storage of natural gas by the operator of a natural gas storage facility insofar as it is warranted by the rate determination method employed by the Régie.

1996, c. 61, s. 51; 2000, c. 22, s. 13.

52. In any tariff for the supply of natural gas, the rates and other conditions applicable to a consumer or class of consumers must reflect the actual cost of acquisition to the distributor or any other terms granted to the distributor by producers of natural gas or their representatives in consideration of the consumption of that consumer or class of consumers.

A tariff may also reflect any other acquisition-related cost of the natural gas to the distributor.

1996, c. 61, s. 52; 2000, c. 22, s. 14.

This section came into force on 2 June 1997 as it applies to natural gas. Order in Council 714-97 dated 28 May 1997, (1997) 129 G.O. 2, 2475.

52.1. When fixing or modifying rates chargeable by the electric power distributor to a consumer or a class of consumers, the Régie shall consider the cost of the electric power to the electric power distributor and the transmission costs, as fixed by the transmission tariff, borne by the electric power distributor, the revenues required for the operation of the electric power distribution system and the factors set out in subparagraphs 6 to 10 of the first paragraph of section 49 and in the second and third paragraphs of that section, with the necessary modifications. The Régie shall also ensure that the adjustments to Rate L reflect the evolution of the heritage pool electricity costs determined for that class.

The Régie may use any other method it considers appropriate when fixing or modifying a demand-side management tariff or an emergency power tariff. A demand-side management tariff is a tariff applied to a consumer by the electric power distributor at the consumer's request, according to which the cost of electric power is based on the market price or according to which service to the consumer may be interrupted by the distributor.

Rates applicable to a class of consumers must be uniform throughout the electric power distribution system, with the exception of independent electric power distribution systems north of the 53rd parallel.

The Régie shall not modify the rates applicable to a class of consumers in order to alleviate the cross-subsidization of rates applicable to classes of consumers.

The fourth paragraph does not apply where the Régie fixes or modifies a transition rate in respect of a consumer that is transferring to another class of consumers.

2000, c. 22, s. 15; 2006, c. 46, s. 39; 2010, c. 20, s. 62.

52.1.1. For the purposes of sections 52.1 and 52.2, Rate L applies to consumers with an annual contract for minimum billing demand of 5,000 kW or more and whose contract is principally related to an industrial activity.

An industrial activity means all the actions involved in the manufacture, assembly or processing of goods, wares or merchandise, or in the extraction of raw materials.

2010, c. 20, s. 63.

52.2. The cost of electric power referred to in section 52.1 shall be established by the Régie by adding the cost of heritage pool electricity and the actual costs to the electric power distributor of the supply contracts entered into to meet the needs of Québec markets in excess of the heritage pool, or the needs to be supplied out of an energy block determined by the Government under the first paragraph of section 74.1.1 or subparagraph 2.1 of the first paragraph of section 112.

For the purposes of the first paragraph, the cost of heritage pool electricity shall be established by totalling the products obtained by multiplying the consumption of heritage pool electricity attributable to each class of consumers by the cost attributed to that class of consumers, it being provided

(1) that the annual heritage pool corresponds to the net consumption by Québec markets, up to 165 terawatt-hours, exclusive of consumption under demand-side management or emergency power tariffs, consumption attributed to independent electric power systems and consumption out of the energy blocks determined by the Government. The portion of the annual consumption of heritage pool electricity attributed to a class of consumers, including the special contracts entered into under the Hydro-Québec Act (chapter H-5), corresponds to the ratio between the net consumption of that class and the net consumption of all classes of consumers having access to the heritage electricity pool;

(2) the cost of heritage pool electricity for each class of consumers is that determined by the Government.

The Government determines the cost of heritage pool electricity for each class of consumers on the basis of the evolution of each class as well as its consumption characteristics, that is, the utilization factors and the power losses attributable to the transmission and distribution systems, in accordance with the following conditions:

(1) for each year from the year 2014, the average cost of heritage pool electricity must be the average cost determined for the previous year, adjusted on 1 January of each year by a rate corresponding to the annual change in the overall average Québec consumer price index for the 12-month period that ended on 31 March of the year preceding that for which a request had been made under section 52.1. The indexation rate may not be lower than zero;

(2) the cost determined for Rate L and special contracts is not affected by the indexation provided for in subparagraph 1;

(3) *(subparagraph replaced)*.

2000, c. 22, s. 15; 2013, c. 16, s. 3; 2010, c. 20, s. 64; 2013, c. 16, s. 3.

52.2.1. In the case of special contracts entered into under the Hydro-Québec Act (chapter H-5), the cost of electric power corresponds to the rate stipulated in the contract, less the transmission and distribution costs applicable according to consumption characteristics, and does not affect the cost to the electric power distributor applicable to other classes of consumers for the purposes of section 52.1.

2010, c. 20, s. 64.

52.2.2. *(Repealed)*.

2010, c. 20, s. 65; 2013, c. 16, s. 4.

52.3. The revenues required for the operation of the electric power distribution system shall be established having regard to the provisions of subparagraphs 1 to 10 of the first paragraph of section 49, the last paragraph of that section and sections 50 and 51, with the necessary modifications.

2000, c. 22, s. 15.

53. The electric power carrier or distributor or a natural gas distributor may not, in respect of a consumer, impose or agree to a rate or to conditions other than those fixed by the Régie or the Government.

Nor may the electric power carrier or distributor or a natural gas distributor discontinue or interrupt service to a consumer because of his refusal to pay an amount other than the amount resulting from the application of a rate or condition fixed by the Régie or the Government.

1996, c. 61, s. 53; 2000, c. 22, s. 16.

54. Any stipulation of an agreement which is at variance with a tariff fixed by the Régie or the Government is without effect.

1996, c. 61, s. 54; 1999, c. 40, s. 245.

CHAPTER V

MONITORING OF STEAM AND PETROLEUM PRODUCT PRICES

55. The Régie shall monitor, in the various regions of Québec, the prices charged for petroleum products and those charged for steam supplied or distributed by means of pipes for heating purposes.

To that end, the Régie may exercise powers of supervision, inspection and inquiry in respect of the sale or distribution of steam or petroleum products and the prices, taxes and duties charged and paid.

The Régie shall also make inquiries at the request of the Government and the costs incurred for any such inquiry shall be borne by the Government.

1996, c. 61, s. 55; 2000, c. 22, s. 17.

56. The Régie may, at any time, order any person to furnish any information concerning the person's sales or distribution of petroleum products or steam or concerning the prices, taxes and duties charged and paid.

The person concerned must comply with the order issued by the Régie.

1996, c. 61, s. 56.

57. The Régie shall, on its own initiative or at the Minister's request, advise the Government or the Minister concerning steam or petroleum product prices.

1996, c. 61, s. 57.

58. The Régie may, on request, provide information to consumers on the prices charged by a steam or petroleum products distributor.

The Régie may promote awareness of consumer needs and demands among steam and petroleum products distributors.

1996, c. 61, s. 58.

59. For the purposes of section 67 of the Petroleum Products Act (chapter P-30.01),

(1) every three years, the Régie shall determine an amount per litre representing the operating costs borne by a gasoline or diesel fuel retailer; different amounts may be fixed according to regions determined by the Régie;

(2) the Régie shall assess the expediency of excluding the amount from or including the amount in the operating costs borne by a retailer; the Régie shall specify the period and the zone to which its decision applies;

(3) the Régie may determine zones.

For the purposes of subparagraph 1 of the first paragraph, the operating costs are the reasonable and necessary costs involved in retailing gasoline or diesel fuel efficiently.

In exercising its powers, the Régie must ensure that the interests of consumers are protected.

1996, c. 61, s. 59; 2000, c. 22, s. 18; 2005, c. 10, s. 72.

CHAPTER VI

EXCLUSIVE ELECTRIC POWER OR NATURAL GAS DISTRIBUTION RIGHTS

DIVISION I

GRANT OF EXCLUSIVE DISTRIBUTION RIGHTS

§ 1. — Distribution of electric power

60. Exclusive electric power distribution rights confer on the holder, within the territory where they obtain and to the exclusion of anyone else, the right to operate an electric power distribution system.

Such rights do not prevent anyone from producing and distributing via their own system the electric power they consume or from distributing electric power produced from forest biomass to a consumer on a site adjacent to the production site.

1996, c. 61, s. 60; 2000, c. 22, s. 19.

61. No one may operate an electric power distribution system within the territory of the holder of exclusive electric power distribution rights.

1996, c. 61, s. 61.

62. The electric power distributor is the holder of exclusive electric power distribution rights throughout the territory of Québec, excluding the territories served by municipal or private electric power systems or by the Coopérative régionale d'électricité de Saint-Jean-Baptiste de Rouville on 13 May 1997. These rights do not prevent the electric power distributor from entering into a supply contract to meet the needs of an independent electric power distribution system.

Municipal electric power systems as well as the Coopérative d'électricité de Saint-Jean-Baptiste de Rouville are also the holders of exclusive distribution rights within the territory served on that date by their distribution system.

Private electric power systems are the holders of exclusive distribution rights within the territory served on 13 December 2006 by their distribution system.

Notwithstanding sections 60 and 61, holders of exclusive electric power distribution rights may agree on terms and conditions for the provision of service to a customer in each other's territories.

This Act does not operate to prevent a holder of exclusive electric power distribution rights to continue to operate its installations for the distribution of electric power which, on 13 May 1997 are situated within the territory served on that date by another holder of exclusive electric power distribution rights.

1996, c. 61, s. 62; 2000, c. 22, s. 20; 2006, c. 46, s. 40.

§ 2. — *Distribution of natural gas*

63. Exclusive natural gas distribution rights confer on the holder, within the territory where they obtain and to the exclusion of anyone else, the right to operate a natural gas distribution system and to transmit and deliver by pipeline natural gas intended for consumption.

Exclusive natural gas distribution rights do not confer the exclusive right to purchase, sell or store natural gas.

1996, c. 61, s. 63.

64. After obtaining the advice of the Régie, the Government may grant to a person or partnership, subject to the conditions it determines, exclusive natural gas distribution rights within the territory it determines.

1996, c. 61, s. 64.

65. An application for exclusive natural gas distribution rights must be made in writing to the Régie and filed with the documents and fees prescribed by regulation.

Upon receipt of an application, the Régie shall inform the Minister.

1996, c. 61, s. 65.

66. The Régie shall publish a notice of the application in the *Gazette officielle du Québec* and in a daily newspaper distributed in the territory for which the application is made. The notice shall state

(1) that an application for exclusive natural gas distribution rights has been filed with the Régie;

(2) that a public hearing will be held to examine the application;

(3) that interested persons will be given the opportunity to present observations; and

(4) the place, date and time of the public hearing.

The public hearing may not be held before the expiry of 30 days after the later of the publications.

1996, c. 61, s. 66.

67. After the public hearing is held, the Régie shall advise the Government concerning the application for exclusive natural gas distribution rights.

1996, c. 61, s. 67.

68. Exclusive natural gas distribution rights may be granted for not more than 30 years. They may be renewed subject to the conditions determined by the Government.

1996, c. 61, s. 68.

69. Whenever the public interest so requires, the Government may, after obtaining the advice of the Régie, modify or revoke exclusive natural gas distribution rights.

1996, c. 61, s. 69.

70. The Minister shall give notice in the *Gazette officielle du Québec* of every grant, renewal, modification or revocation of exclusive natural gas distribution rights.

1996, c. 61, s. 70.

71. No one, except the holder of exclusive natural gas distribution rights, may operate a natural gas distribution system.

1996, c. 61, s. 71.

DIVISION II

OBLIGATIONS OF THE ELECTRIC POWER CARRIER AND OF DISTRIBUTORS

72. With the exception of private electric power systems, a holder of exclusive electric power or natural gas distribution rights shall prepare and submit to the Régie for approval, according to the form, tenor and intervals fixed by regulation of the Régie, a supply plan describing the characteristics of the contracts the holder intends to enter into to meet the needs of Québec markets following the implementation of the energy efficiency measures the holder proposes. The supply plan shall be prepared having regard to the risks inherent in the sources of supply chosen by the holder and, as concerns any particular source of electric power, having regard to the energy block established by regulation of the Government under subparagraph 2.1 of the first paragraph of section 112.

When examining a supply plan for approval, the Régie shall consider such economic, social and environmental concerns as have been identified by order by the Government.

1996, c. 61, s. 72; 2000, c. 22, s. 23; 2006, c. 46, s. 41.

73. The electric power carrier, the electric power distributor and natural gas distributors must obtain the authorization of the Régie, subject to the conditions and in the cases determined by regulation by the Régie, to

- (1) acquire, construct or dispose of immovables or assets for transmission or distribution purposes;
- (2) extend, modify or change the use of their transmission or distribution system;
- (3) cease or suspend operations; or
- (4) restructure their operations with the result that part thereof would be excluded from the application of this Act.

When examining an application for authorization, the Régie shall consider such economic, social and environmental concerns as have been identified by order by the Government and, in the case of an application for the purposes of subparagraph 1 of the first paragraph, the Régie shall consider, where applicable,

- (1) the sales forecasts of the electric power distributor or natural gas distributors and their obligation to distribute electric power or natural gas; and

(2) the contractual commitments of the consumers served by the electric power transmission service and, where applicable, their financial contributions to the acquisition or construction of transmission assets, and the economic feasibility of the project.

An authorization under this section does not constitute a dispensation from seeking any other authorization required by law.

1996, c. 61, s. 73; 2000, c. 22, s. 24.

73.1. The electric power carrier must submit the technical requirements for connection to its system to the Régie for approval. If the Régie deems it useful for the purposes of section 85.17, it may request that an owner or operator referred to in section 85.14 submit the technical requirements for connection to its system to the Régie for approval.

2000, c. 22, s. 25; 2006, c. 46, s. 42.

74. The commercial programs of the electric power distributor or of any natural gas distributor require the approval of the Régie.

In a territory served by an independent electric power distribution system, the electric power distributor may also submit to the Régie, for approval, commercial programs relating to other forms of energy in order to ensure that consumers in that territory are treated equitably in terms of energy supply in relation to any other consumer of electric power distributed by the electric power distributor for residential and water heating.

In examining an application under this section, the Régie shall give due consideration to changes in commercial practices and the cost effectiveness of the commercial programs and their impact on the rates of the distributor.

1996, c. 61, s. 74; 2000, c. 22, s. 26.

74.1. To ensure that suppliers responding to a tender solicitation are treated with fairness and impartiality, the electric power distributor shall establish and submit for approval to the Régie, which shall make its decision within 90 days, a tender solicitation and contract awarding procedure and a tender solicitation code of ethics applicable to the electric power supply contracts required to meet the needs of Québec markets in excess of the heritage pool, or the needs to be supplied out of an energy block determined by regulation of the Government under subparagraph 2.1 of the first paragraph of section 112.

The tender solicitation and contract awarding procedure shall, in particular,

- (1) allow all interested suppliers to tender by requiring the tender solicitation to be issued in due time;
- (2) grant equal treatment to all sources of supply and energy efficiency projects unless the tender specifications provide that all or part of the needs met by a particular source of supply must be supplied out of an energy block determined by regulation of the Government;
- (3) favour the awarding of supply contracts based on the lowest tendered price for the required quantity of electric power and in keeping with the required conditions, taking into account the applicable transmission cost and, where the tender specifications provide that all or part of the needs met by a particular source of supply must be supplied out of an energy block, taking into account the maximum price established by regulation of the Government; and
- (4) provide that, following a tender solicitation, contracts may be awarded to two or more suppliers, in which case a supplier offering the required quantity of electric power may be invited to reduce the quantity offered without modifying the tendered unit price.

An energy efficiency project to which a tender solicitation applies under subparagraph 2 of the second paragraph must meet the stability, sustainability and reliability requirements that apply to conventional sources of supply.

The Régie may dispense the electric power distributor from soliciting tenders for short-term contracts or where urgent needs must be met.

For the purposes of this section, the promoter of an energy efficiency project is deemed to be an electric power supplier.

2000, c. 22, s. 27; 2006, c. 46, s. 43.

74.1.1. The Government may, to allow supply contracts to be entered into with suppliers connected to a Native community, exempt an electric power distributor from soliciting tenders for

(1) contracts for an energy block the Government determines, without exceeding 150 MW; and

(2) contracts related to the supply necessary for the integration of any energy block to which subparagraph 1 or 2.1 of the first paragraph of section 112 applies.

When it grants an exemption, the Government may, in accordance with Québec's intergovernmental and international trade commitments, determine the terms, the suppliers and the quantity of electric power required under each supply contract, as well as the maximum price, for the purpose of establishing the cost of electric power under section 52.2 or for the purposes of the supply plan provided for in section 72.

2013, c. 16, s. 5, s. 8.

74.2. The Régie shall monitor the implementation of the tender solicitation and contract awarding procedure and code of ethics provided for in section 74.1 and ascertain whether they are complied with. To that end, the Régie may require any document or information it considers useful. The Régie shall report its findings to the electric power distributor and to the supplier chosen.

Except in the case of a contract for which an exemption has been granted under the first paragraph of section 74.1.1, the electric power distributor may not enter into an electric power supply contract unless it has obtained the approval of the Régie, under the conditions and in the cases determined by regulation by the Régie.

The electric power distributor shall file with the Régie the contracts exempted under the first paragraph of section 74.1.1, within 30 days of the date on which they are signed, for the purpose of establishing the cost of electric power under section 52.2 or for the purposes of the supply plan provided for in section 72.

2000, c. 22, s. 27; 2013, c. 16, s. 6.

74.3. Despite sections 74.1 and 74.2, the electric power distributor may, under a program to purchase electric power from a renewable energy source, the conditions of which have been approved by the Régie, purchase electric power from a client whose production exceeds the client's own consumption or from a producer, without having to solicit tenders.

This section applies only to electric power produced at a facility whose maximum production capacity is set by government regulation.

2006, c. 46, s. 44.

75. Each year at the time determined by the Régie, the electric power carrier or distributor and every natural gas distributor shall submit a report to the Régie containing the following information:

- (1) its name;
- (2) in the case of a company carrying on an enterprise, its capital stock, the various issues of securities made since the establishment of the enterprise or since the last report, and the names of its directors;
- (3) its assets, liabilities, revenues and expenditures for the year;
- (4) the prices and rates charged during the year; and
- (5) any other information required by the Régie.

1996, c. 61, s. 75; 2000, c. 22, s. 28.

76. The electric power distributor, municipal electric power systems and the Coopérative régionale d'électricité de Saint-Jean-Baptiste de Rouville are required to distribute electric power to every person who so requests within the territory where their exclusive rights obtain.

The Régie may dispense the electric power distributor, a municipal electric power system or the Coopérative régionale d'électricité de Saint-Jean-Baptiste de Rouville, at the request of a consumer or at their request, from complying with a request under this section only if the service may be provided in an equivalent manner and under equivalent conditions by another source of energy and if the Régie is of the opinion that the cost of the service requested would not be borne by the consumer.

1996, c. 61, s. 76; 2000, c. 22, s. 29.

76.1. Unless a distribution agreement is entered into with the electric power distributor regarding the transfer to it of all or part of a client's load, a private electric power system is required to distribute electric power to every person served by the system.

This section does not apply to a private electric power system if, before 13 December 2006, its client entered into an agreement with the electric power distributor for the transfer of the client's load.

2006, c. 46, s. 45.

76.2. No holder of exclusive electric power distribution rights may interrupt the delivery of electric power, between 1 December and 31 March, to the main residence of a client who is living there and whose heating system requires electric power, on the grounds that the client did not pay the bill on time or did not comply with the terms of the payment agreement. The electric power distributor's conditions of service apply to any holder of exclusive rights to distribute electric power, with the necessary modifications.

2006, c. 46, s. 45.

77. A natural gas distributor is required to supply and deliver natural gas to every person who so requests within the territory served by the distributor's distribution system.

Within that territory, the distributor shall also, at the request of a consumer or at the request of a natural gas broker acting in his own name or in the name of a producer or a consumer, receive, transmit and deliver to the consumer natural gas purchased from a third person by the consumer for his own consumption.

1996, c. 61, s. 77.

78. Any interested person not served by a natural gas distribution system may apply to the Régie for an order directing a natural gas distributor to expand its distribution system within the territory where the distributor's exclusive rights obtain.

Such interested person may also request the Régie to recommend to the Government that it extend the territory where the exclusive rights of a natural gas distributor obtain and to order the distributor to expand its distribution system.

1996, c. 61, s. 78.

79. The Régie may, at the request of a consumer or a natural gas distributor, dispense the distributor from complying with a request under section 77 or 78 if the Régie is of the opinion that the public interest so requires or that the cost of the service would not be borne by the consumer.

The Régie may also dispense a natural gas distributor from complying with such request where it would be detrimental to the profitability or efficient operation of the distributor's enterprise or where the security of supply of another consumer is likely to be endangered.

Where natural gas is used mainly for space heating or domestic purposes, the Régie may also dispense a distributor from complying with a request under the second paragraph of section 77 if the Régie is of the opinion that, in view of the particular needs of the consumer and of the availability of natural gas, the security of supply under the conditions of supply agreed upon between the consumer and a third person is not comparable to that offered by a distributor.

1996, c. 61, s. 79.

80. The alienation or other transfer of an enterprise operating under exclusive natural gas distribution rights or the amalgamation of a legal person holding such rights may not be effected without the authorization of the Government.

The authorization of the Government is also required to transfer, assign, exchange or allot securities of a legal person holding exclusive natural gas distribution rights or to make any other transaction in respect of such securities if such a transaction directly or indirectly entails putting into the same hands or into the hands of a group of related persons within the meaning of the Taxation Act (chapter I-3) securities or rights to acquire securities

(1) allowing the election of a majority of the directors of the legal person, in the case of securities exempt from the application of the Securities Act (chapter V-1.1);

(2) representing more than 20% of the voting securities of the legal person, in the case of securities not exempt from the application of the Securities Act.

Where a partnership holds exclusive natural gas distribution rights, every transaction in respect of the shares of the partnership must be authorized by the Government if it entails putting into the same hands or into the hands of a group of related persons within the meaning of the Taxation Act, shares or rights to acquire shares of the partnership representing more than 50% of the partnership capital or, in the case of a limited partnership, shares allowing a person to act as a general partner.

Before deciding an application under this section, the Government shall obtain the advice of the Régie.

Any interested person may apply to a court of competent jurisdiction to have any act done in contravention of this section declared null.

This section also applies to municipal and private electric power systems as well as to the Coopérative régionale d'électricité de Saint-Jean-Baptiste de Rouville.

1996, c. 61, s. 80; 2000, c. 22, s. 30; 2006, c. 46, s. 46.

81. Where a natural gas distributor is supplied natural gas by a supplier having a direct or indirect interest in the enterprise of the distributor, the distributor shall submit the supply contract to the Régie for approval.

The same applies where the natural gas distributor has a direct or indirect interest in the enterprise of the supplier.

1996, c. 61, s. 81.

82. A natural gas distributor is authorized to exercise as regards natural gas, within the territory where the distributor's exclusive distribution rights obtain, such powers relating to the sale and rental of apparatus and meters, work in the streets, on highways and in public places and interruptions of service and such power to enter upon private property as are provided for in sections 63 to 71 and 73 to 76 of the Gas, Water and Electricity Companies Act (chapter C-44), subject to the restrictions, conditions and obligations specified in those sections.

The distributor may exercise the same powers, subject to the same restrictions, conditions and obligations, with respect to the construction of pipelines for the supply, transmission and delivery of natural gas to the distributor's customers in the territory for which exclusive distribution rights have been granted to the distributor, whether the pipelines are built wholly or partly within or outside that territory.

1996, c. 61, s. 82.

83. A natural gas distributor may acquire by agreement or expropriation any right of way, servitude or immovable required for the supply, transmission, delivery or overground storage of natural gas as well as for the installation of a pipeline leading to the storage site of a third person in the territory for which exclusive distribution rights have been granted to the distributor.

1996, c. 61, s. 83.

84. The installation of pipes, conduits, dependencies, apparatus or other works by a natural gas distributor under or along any public road, watercourse, street, lane or other public place in a municipality shall be effected pursuant to the conditions agreed upon between the parties or, failing agreement, pursuant to the conditions determined by the Régie.

Any agent of the natural gas distributor may, at any reasonable time, enter upon any immovable to effect such installation or to repair such works and to do any work required for such purpose, subject to paying any damage which may be caused.

1996, c. 61, s. 84.

85. Sections 87, 89 and 94 of the Gas, Water and Electric Companies Act (chapter C-44), which pertain to illegal connections, damage to meters and apparatus exempt from seizure, apply in favour of a natural gas distributor.

1996, c. 61, s. 85.

85.1. No later than 31 March each year, every distributor mentioned in section 2.1 shall file a registration statement with the Régie, indicating the location of each establishment it operates.

2000, c. 22, s. 31; 2006, c. 46, s. 47.

CHAPTER VI.1

ELECTRIC POWER TRANSMISSION

DIVISION I

RELIABILITY STANDARDS

85.2. The Régie shall ensure that electric power transmission in Québec is carried out according to the reliability standards it adopts.

2006, c. 46, s. 48.

85.3. This division applies to

- (1) an owner or operator of a facility with a capacity of 44 kV or more connected to an electric power transmission system;
- (2) an owner or operator of an electric power transmission system;
- (3) an owner or operator of a production facility with a capacity of 50 megavolt amperes (MVA) or more connected to an electric power transmission system;
- (4) a distributor with a peak capacity of over 25 megawatts (MW), whose facilities are connected to an electric power transmission system; and
- (5) a person who uses an electric power transmission system under an electric power transmission service agreement with the electric power carrier or with any other carrier in Québec.

2006, c. 46, s. 48; 2010, c. 8, s. 2.

85.4. With the authorization of the Government, the Régie may enter into an agreement with a body that proves it has the expertise to establish or monitor the application of electric power transmission reliability standards, in order to

- (1) develop electric power transmission reliability standards for Québec;
- (2) carry out inspections or investigations under Division II of Chapter III as part of plans to monitor compliance with the reliability standards; or
- (3) provide the Régie with opinions or recommendations.

The agreement must set out the method of establishing remuneration and the terms of payment for achieving its objects.

2006, c. 46, s. 48.

85.5. The Régie shall designate, on the conditions it determines, a reliability coordinator for Québec.

2006, c. 46, s. 48.

85.6. The reliability coordinator must file with the Régie

- (1) the reliability standards proposed by a body that has entered into an agreement under section 85.4, as well as any variant or other standard the reliability coordinator considers necessary;

(2) an evaluation of the relevance and impact of the standards filed; and

(3) particulars identifying every entity described in section 85.3.

2006, c. 46, s. 48; 2010, c. 8, s. 3.

85.7. The Régie may request the reliability coordinator to modify a standard filed or submit a new one, on the conditions it sets. It shall adopt reliability standards and set the date of their coming into force.

The reliability standards may

(1) subject to section 85.10, provide for a schedule of sanctions, including financial penalties, that apply if standards are not complied with; and

(2) refer to reliability standards set by a standardization agency that has entered into an agreement.

2006, c. 46, s. 48.

85.8. The reliability coordinator shall submit to the Régie a guide describing criteria to be taken into account in determining the sanction for non-compliance with a reliability standard.

2006, c. 46, s. 48.

85.9. If a body mandated by the Régie under an agreement referred to in section 85.4 considers that an entity subject to a reliability standard does not comply with the standard, the body must give the entity at least 20 days to submit observations. The body shall then report to the Régie on its findings and may recommend the application of a sanction.

2006, c. 46, s. 48.

85.10. After giving the entity referred to in section 85.9 the opportunity to be heard, the Régie shall determine if it has failed to comply with a reliability standard, impose, if appropriate, a sanction that may not exceed \$500,000 a day, and set a deadline for payment.

A sanction referred to in the first paragraph may include a letter of reprimand to be made public in an appropriate manner or conditions for carrying on certain activities, set by the Régie.

2006, c. 46, s. 48.

85.11. The financial penalties collected by the Régie for the purpose of ensuring the reliability of electric power transmission must be deposited in a separate account.

2006, c. 46, s. 48.

85.12. The Régie may, on the conditions it sets, order an entity that fails to comply with a reliability standard to implement a compliance plan within the time limit the Régie may specify.

2006, c. 46, s. 48; 2010, c. 8, s. 4.

85.12.1. If an inspection or an inquiry reveals that an entity is in non-compliance with a reliability standard and is thus seriously compromising the reliability of electric power transmission, the Régie may order that measures be taken, at once or within the time it specifies, in order to correct the situation.

2010, c. 8, s. 5.

85.13. The reliability coordinator

- (1) must submit to the Régie, for approval, a register identifying the entities that are subject to the reliability standards adopted by the Régie;
- (2) shall fulfil the duties devolved to the reliability coordinator under a reliability standard adopted by the Régie; and
- (3) may, under a standard adopted by the Régie, provide operating directives.

2006, c. 46, s. 48; 2010, c. 8, s. 6.

DIVISION II

ELECTRIC POWER TRANSMISSION SERVICE CONTRACTS

85.14. For the purposes of this division, “auxiliary carrier” means the owner or operator of an electric power transmission system or a facility with a capacity of 44 kV or more, connected to the electric power carrier's transmission system and capable of providing transmission services to a third party.

2006, c. 46, s. 48.

85.15. At the request of the electric power carrier, an auxiliary carrier must negotiate the terms of an electric power transmission service contract with the carrier.

The contract must be submitted to the Régie for approval.

2006, c. 46, s. 48.

85.16. Failing an agreement between the electric power carrier and the auxiliary carrier, one of the interested parties may request the Régie to fix the terms of an electric power transmission service contract.

2006, c. 46, s. 48.

85.17. If the Régie decides not to approve an electric power transmission service contract or if one of the interested parties makes a request under section 85.16, the Régie fixes the contract terms it deems fair and reasonable.

In establishing the costs the auxiliary carrier is entitled to recover, the Régie takes the first or the fourth paragraph of section 49, or both of those provisions, into account.

2006, c. 46, s. 48.

85.18. A decision rendered under section 85.17 is enforceable on the date specified in the decision and binds the parties until, at the request of one of the parties and after giving any consumer concerned the opportunity to submit observations, the Régie considers it appropriate to terminate or amend its decision.

2006, c. 46, s. 48.

DIVISION III

ACCESS TO ELECTRIC POWER TRANSMISSION FACILITIES

85.19. For the purposes of this division, “accessible carrier” means the owner or operator of a facility with a capacity of 44 kV or more, or the owner or operator of an electric power transmission system.

2006, c. 46, s. 48.

85.20. An application for connection to the facilities of an accessible carrier or of the electric power carrier must be submitted to the electric power carrier in accordance with its rates and conditions for the transmission service.

2006, c. 46, s. 48.

85.21. Following an application for connection, the electric power carrier, jointly with the accessible carrier, shall carry out an economic and financial analysis of the connection proposals and submit it to the Régie.

2006, c. 46, s. 48.

85.22. The electric power carrier must obtain the authorization required under section 73 from the Régie for the connection chosen.

2006, c. 46, s. 48.

85.23. If the connection authorized by the Régie involves a connection to the facilities of the accessible carrier, that carrier must ensure open access to the facilities and negotiate an agreement to that effect with the electric power carrier in compliance with Division II of this chapter.

2006, c. 46, s. 48.

CHAPTER VI.2 *Repealed, 2011, c. 16, Sch. II, s. 51.*

85.24. *(Repealed).*

2006, c. 46, s. 48; 2011, c. 16, Sch. II, s. 51.

85.25. *(Repealed).*

2006, c. 46, s. 48; 2011, c. 16, Sch. II, s. 51.

85.26. *(Repealed).*

2006, c. 46, s. 48; 2011, c. 16, Sch. II, s. 51.

85.27. *(Repealed).*

2006, c. 46, s. 48; 2011, c. 16, Sch. II, s. 51.

85.28. *(Repealed).*

2006, c. 46, s. 48; 2011, c. 16, Sch. II, s. 51.

85.29. *(Repealed).*

2006, c. 46, s. 48; 2011, c. 16, Sch. II, s. 51.

85.30. *(Repealed).*

2006, c. 46, s. 48; 2011, c. 16, Sch. II, s. 51.

85.31. *(Repealed).*

2006, c. 46, s. 48; 2007, c. 19, s. 2; 2011, c. 16, Sch. II, s. 51.

85.32. *(Repealed).*

2006, c. 46, s. 48; 2011, c. 16, Sch. II, s. 51.

CHAPTER VI.3

FINANCING OF MEASURES TO REDUCE GREENHOUSE GAS EMISSIONS AND FIGHT CLIMATE CHANGE

85.33. This chapter applies to

- (1) a natural gas distributor;
- (2) a legal person or partnership that brings fuel into Québec for a purpose other than resale; and
- (3) a distributor of fuel.

For the purposes of this chapter, a person or partnership referred to in subparagraph 2 of the first paragraph is deemed to be a distributor.

2006, c. 46, s. 48; 2007, c. 19, s. 3.

85.34. For the purposes of this chapter and section 114,

“diesel fuel” means a liquid mixture of hydrocarbons obtained from the refining of petroleum to supply diesel engines;

“fuel” means gasoline, diesel fuel, heating oil, propane, petroleum coke or coal, but not aviation fuel, marine bunker fuel, hydrocarbons used as raw material by industries that transform hydrocarbon molecules through chemical or petrochemical processes or renewable fuel content;

“fuel distributor” means

- (1) a person that refines, manufactures, mixes, prepares or distils fuel in Québec;
- (2) a person that brings or causes to be brought into Québec fuel contained in one or more receptacles with a total capacity of over 200 litres, except fuel contained in a fuel tank installed as standard equipment to supply the engine of a vehicle;
- (3) a person that, in Québec, exchanges fuel with a person described in paragraph 1; and
- (4) *(paragraph repealed)*;

“gasoline” means a liquid mixture of hydrocarbons obtained from the refining of petroleum mainly for use as spark ignition engine fuel;

“heating oil” means a liquid mixture of hydrocarbons obtained from the refining of petroleum and used for domestic, commercial, institutional or industrial heating;

“propane” means a liquid mixture of hydrocarbons obtained from the refining of petroleum or the processing of natural gas and used as spark ignition engine fuel or for such applications as cooking or domestic, commercial, institutional or industrial heating.

2006, c. 46, s. 48; 2007, c. 19, s. 4.

85.35. (Repealed).

2006, c. 46, s. 48; 2009, c. 33, s. 4; 2013, c. 16, s. 183.

85.36. The Régie shall establish by regulation

(1) the method of calculation of the annual duty payable by a distributor on the basis of the carbon dioxide (CO₂) emissions generated by the combustion of natural gas and fuel brought into, distributed, traded or sold for consumption in Québec, the rate of interest on sums due and the penalties exacted for failure to pay; and

(2) the conditions on which distributors must pay the annual duty to the Green Fund established under section 15.1 of the Act respecting the Ministère du Développement durable, de l'Environnement et des Parcs (chapter M-30.001).

The method of calculation of the annual duty payable into the Green Fund must exclude the quantity of carbon dioxide (CO₂) emissions generated by the combustion of the volumes of natural gas and fuel that a distributor states it distributed to, sold to or traded with an emitter and the quantity of carbon dioxide (CO₂) emissions generated by the combustion of the volumes of fuel that a distributor states it brought in for its consumption even though it is also an emitter referred to in subparagraph *a* of subparagraph 2 of the sixth paragraph.

The Régie must revise the notices of payment issued, in order to reduce each of the instalments payable on 31 March, 30 June and 30 September 2013 by one quarter of the amount of the reduction of the annual duty that was redetermined by the Régie taking into account the exclusion of the volumes of natural gas and fuel that a distributor states it distributed to, sold to or traded with an emitter and the exclusion of the volumes of fuel that a distributor states it brought in for its consumption even though it is an emitter referred to in subparagraph *a* of subparagraph 2 of the sixth paragraph during the fiscal year to which the statement that was to be filed on or before 31 March 2012, in accordance with section 85.37, applies.

The following statements must be sent to the Régie,

(1) before 1 September 2013:

(*a*) the statement referred to in the second paragraph with regard to the reduction of the instalments payable from 31 December 2013 to 30 September 2014; and

(*b*) the statement referred to in the third paragraph;

(2) in the statement required under section 85.37: the statement referred to in the second paragraph with regard to the reduction of the instalment payable on 31 December 2014.

The distributor must attach to the statement, if applicable, any documents sent to it under paragraph 3 of section 85.36.1.

For the purposes of this section, except the first paragraph,

(1) the volumes of fuel do not include gasoline or diesel;

(2) an emitter means

(a) an emitter that is required to cover its greenhouse gas emissions with emission allowances within the meaning of the second paragraph of section 46.6 of the Environment Quality Act (chapter Q-2) and that is registered in accordance with the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances (chapter Q-2, r. 46.1), as well as, if applicable, the perpetrators of those emissions; or

(b) a distributor that is considered an emitter under section 85.36.1.

The distributor must cease transferring the duty to emitters to which it distributes or sells volumes of natural gas and fuel or with which it trades volumes of fuel. It must also pass on, by any means it considers appropriate, the benefit resulting from the exclusion under the second paragraph and from the revision and reduction under the third paragraph to the emitters to which it previously transferred the duty.

2006, c. 46, s. 48; 2009, c. 33, s. 5; 2013, c. 16, s. 183.

85.36.1. A distributor is considered to be an emitter in respect of the volumes attested to in the document described in paragraph 3, if

(1) the volumes of natural gas and fuel it distributes to, sells to or trades with an emitter were distributed by, sold by or traded with another distributor to which the notice provided for in section 85.38 was sent;

(2) the Régie did not send it the notice provided for in section 85.38 in respect of those volumes; and

(3) it sent the other distributor a document attesting to the volumes that the other distributor distributed to, sold to or traded with it and that it distributed to, sold to or traded with the emitter.

2013, c. 16, s. 183.

85.36.2. The Régie shall publish in the *Gazette officielle du Québec* a notice of the rate used to calculate the duty to be paid into the Green Fund for the period from 1 October 2012 to 30 September 2013, determined in dollars per ton of carbon dioxide (CO₂) generated by the combustion of the volumes of natural gas and fuel that are brought into, distributed, sold or traded in Québec.

The rate is used to calculate the annual duty payable into the Green Fund until 31 December 2014.

2013, c. 16, s. 183.

The rate referred to in the first paragraph of this section is \$4.264503710 per ton of carbon dioxide (CO₂) generated; (2013) 145 G.O. 1, 1100.

85.37. A distributor referred to in section 85.33 must file with the Régie, on the date the Régie determines and in the form it prescribes, a statement specifying, for the period covered by its preceding fiscal year,

(1) the volume of natural gas it distributed;

(2) the volume of fuel it brought into Québec for a purpose mentioned in paragraph 2 of that section;

(3) the volume of fuel intended for consumption in Québec that was sold and refined in Québec or brought into Québec and, where applicable, the volume it exchanged with a person described in paragraph 1 of the definition of “fuel distributor” in section 85.34; and

(4) any other information the Régie deems necessary for the purposes of this chapter, in the form prescribed by the Régie.

2006, c. 46, s. 48; 2007, c. 19, s. 5.

85.38. The Régie shall establish the amount each distributor concerned must pay under the regulation referred to in section 85.36 and give notice of it to the distributor and to the Minister of Sustainable Development, Environment and Parks.

The Minister shall collect the duties payable and credit them to the Green Fund, along with any interest due or penalties, to be used for the purposes set out in section 46.16 of the Environment Quality Act (chapter Q-2).

2006, c. 46, s. 48; 2009, c. 33, s. 6; 2011, c. 18, s. 283.

85.39. The Minister of Sustainable Development, Environment and Parks shall send the Government a report on the use of the amounts paid under section 85.38. The report must be sent no later than 31 July each year, in the form and on the conditions set by the Government, if any. A copy of the report must be sent to the Régie on the same date.

Before that date, the Minister of Sustainable Development, Environment and Parks shall send the Régie the list of emitters that are required to cover their greenhouse gas emissions with emission allowances within the meaning of the second paragraph of section 46.6 of the Environment Quality Act (chapter Q-2) and that are registered in accordance with the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances (chapter Q-2, r. 46.1).

2006, c. 46, s. 48; 2009, c. 33, s. 7; 2013, c. 16, s. 183.

CHAPTER VII

EXAMINATION OF CONSUMER COMPLAINTS

DIVISION I

SCOPE

86. Complaints addressed by consumers to the electric power carrier or distributor, to a municipal or private electric power system, to the Coopérative régionale d'électricité de Saint-Jean-Baptiste de Rouville or to a natural gas distributor concerning the application of a rate or condition for the transmission or distribution of electric power or for the supply, transmission, delivery or storage of natural gas are subject to the provisions of this chapter.

1996, c. 61, s. 86; 2000, c. 22, s. 32.

DIVISION II

EXAMINATION OF COMPLAINTS BY THE ELECTRIC POWER CARRIER OR A DISTRIBUTOR

87. A complaint examination procedure shall be established by the electric power carrier and by every distributor.

The procedure must be submitted to the Régie for approval.

1996, c. 61, s. 87; 2000, c. 22, s. 34.

88. The electric power carrier and every distributor shall, within the time fixed by the Régie, publish the procedure in at least two newspapers distributed in the territory served by the electric power carrier or the distributor, specifying the place where complaints may be filed.

1996, c. 61, s. 88; 2000, c. 22, s. 35.

89. Once a year, the electric power carrier and every distributor shall send to their customers a pamphlet describing the procedure and indicating that a proceeding may be brought before the Régie as provided in Division III.

1996, c. 61, s. 89; 2000, c. 22, s. 36.

90. The electric power carrier or the distributor shall assist complainants who so request in formulating their complaint. The electric power carrier or the distributor shall give complainants an opportunity to present observations.

The electric power carrier or the distributor shall dismiss, on summary examination, any clearly unfounded or vexatious complaint.

1996, c. 61, s. 90; 2000, c. 22, s. 37.

91. The decision must be in writing and be notified to the complainant within 60 days or within any other period of time approved by the Régie. It must include the reasons therefor and indicate that a proceeding may be brought before the Régie as provided in Division III.

1996, c. 61, s. 91.

92. The electric power carrier or the distributor may review its decision.

1996, c. 61, s. 92; 2000, c. 22, s. 36.

93. If the electric power carrier or the distributor fails to forward the decision within the allotted time, the electric power carrier or the distributor is deemed to have forwarded a negative decision to the complainant on the day of expiry of that time.

1996, c. 61, s. 93; 2000, c. 22, s. 36.

DIVISION III

PROCEEDING BEFORE THE RÉGIE

94. Within 30 days of the date on which the decision of the electric power carrier or the distributor is forwarded or deemed to have been forwarded, the complainant, if he disagrees with the decision, may apply to the Régie for the examination of the complaint.

The Régie may, however, examine a complaint filed after the expiry of the time fixed under the first paragraph if the complainant was unable, for serious and valid reasons, to act sooner and if no grave injury to the electric power carrier or the distributor results therefrom.

1996, c. 61, s. 94; 2000, c. 22, s. 38.

95. The complaint, including the reasons therefor, must be submitted to the Régie in writing, together with the decision, if any.

The secretary of the Régie shall forward a copy of the complaint to the electric power carrier or to the distributor concerned.

1996, c. 61, s. 95; 2000, c. 22, s. 39.

96. Applications under this division shall be examined by a commissioner acting alone. However, the chairman, if he considers it necessary, may designate three commissioners to hear an application.

1996, c. 61, s. 96.

97. Within 15 days of receiving a copy of the complaint, the electric power carrier or the distributor shall forward to the secretary of the Régie the in-house examination file concerning the complaint.

The complainant may consult the file at the office of the electric power carrier or the distributor where he filed the complaint or at the office of the Régie. The complainant may, on payment of the reproduction costs, obtain a copy of the file.

1996, c. 61, s. 97; 2000, c. 22, s. 40.

98. When examining a complaint, the Régie shall ascertain whether the rates and conditions for the transmission or distribution of electric power or the rates and conditions for the supply, transmission, delivery or storage of natural gas have been complied with by the electric power carrier or the distributor.

1996, c. 61, s. 98; 1997, c. 93, s. 176; 2000, c. 22, s. 41.

99. The Régie may refuse or cease to examine a complaint

(1) if the Régie has reasonable grounds to believe that the complaint is unfounded, vexatious or in bad faith or that an intervention on its part would serve no useful purpose;

(2) if more than one year has elapsed since the complainant became aware of the facts on which his complaint is based, unless the delay is justified by exceptional circumstances.

If the Régie refuses or ceases to examine a complaint, it shall inform the complainant and the electric power carrier or the distributor in writing of the reasons for such decision.

1996, c. 61, s. 99; 2000, c. 22, s. 42.

100. A person must furnish to the Régie any information required by the Régie for the examination of a complaint and must attend any meeting to which he is called.

1996, c. 61, s. 100.

100.1. The Régie may, where it considers it expedient and reasonable in the circumstances, suspend the examination of a complaint, with the consent of the complainant or of the electric power carrier or the distributor, for a period not exceeding 30 days so that a conciliation session may be held.

The conciliator shall be chosen by the chairman from among the members of the personnel of the Régie.

Any agreement shall be evidenced in writing and signed by the conciliator, the complainant and the electric power carrier or the distributor. The agreement is binding on the complainant and on the electric power carrier or the distributor.

2000, c. 22, s. 43.

100.2. Unless the complainant and the electric power carrier or the distributor consent thereto, nothing said or written during a conciliation session is admissible as evidence in a court of justice or before the Régie. The parties shall be so informed by the commissioner who suspended the examination of the complaint.

2000, c. 22, s. 43.

100.3. The conciliator may not be compelled to disclose anything revealed or learned or to produce any document prepared or obtained in the exercise of conciliation functions before a court of justice or before any other authority.

Notwithstanding section 9 of the Act respecting Access to documents held by public bodies and the Protection of personal information (chapter A-2.1), no person may have access to any document contained in the conciliation record.

2000, c. 22, s. 43.

101. If the Régie determines that a complaint is valid, it shall order the electric power carrier or the distributor to implement, within the time fixed by the Régie, measures determined by the Régie concerning the application of the rates or conditions; the Régie may also determine the date on which such measures are to be implemented.

1996, c. 61, s. 101; 2000, c. 22, s. 44.

CHAPTER VIII

FINANCIAL PROVISIONS

102. Every distributor, a person referred to in section 85.33 and an owner or operator referred to in paragraph 2 of section 85.3 shall pay to the Régie an annual duty at the rate and according to the terms and conditions prescribed by regulation of the Government.

The electric power carrier shall pay to the Régie an annual duty at the rate and according to the terms and conditions prescribed by regulation of the Government.

Section 85.38 and this section apply to Hydro-Québec notwithstanding section 16 of the Hydro-Québec Act (chapter H-5).

1996, c. 61, s. 102; 2000, c. 22, s. 45; 2006, c. 46, s. 49; 2011, c. 16, Sch. II, s. 52.

103. The Régie shall collect the fees prescribed by regulation of the Government for the examination of applications according to the prescribed terms and conditions.

1996, c. 61, s. 103; 2000, c. 22, s. 46.

104. The examination and registration fees and the duties paid to the Régie form part of its revenues.

1996, c. 61, s. 104; 2000, c. 22, s. 47.

105. The duties and fees shall be deposited, as they are collected, in a bank or with a financial services cooperative governed by the Act respecting financial services cooperatives (chapter C-67.3).

1996, c. 61, s. 105; 2000, c. 29, s. 668.

105.1. The Government may, on the terms and conditions it determines, authorize the Minister of Finance to advance to the Régie any amount considered necessary for the pursuit of its objects.

The sums required shall be taken out of the Consolidated Revenue Fund.

1997, c. 55, s. 32.

106. Each year at the time determined by the Government, the chairman of the Régie shall submit to the Minister the budget estimates of the Régie for the following fiscal year, the form and tenor of which are determined by the Government.

The estimates require the approval of the Government.

1996, c. 61, s. 106.

107. There may be no accumulated deficit in any fiscal year.

Any amount by which revenues exceed expenditures in a fiscal year shall be carried over to the subsequent annual budget.

1996, c. 61, s. 107; 2000, c. 22, s. 48.

108. The Régie shall keep separate accounts for the electric power carrier and for each distributor.

1996, c. 61, s. 108; 2000, c. 22, s. 49.

109. The books and accounts of the Régie shall be audited by the Auditor General annually and whenever so ordered by the Government.

1996, c. 61, s. 109.

CHAPTER IX

DIRECTIVES AND REGULATIONS

DIVISION I

DIRECTIVES

110. The Minister may issue directives concerning the general policy and objectives to be pursued by the Régie.

1996, c. 61, s. 110.

111. The directives of the Minister must be approved by the Government and shall come into force on the day of their approval. Once approved, the directives are binding upon the Régie which shall comply therewith.

Every directive shall be tabled in the National Assembly within 15 days of its approval by the Government or, if the Assembly is not in session, within 15 days of resumption.

1996, c. 61, s. 111.

DIVISION II

REGULATIONS

112. The Government may make regulations determining

(1) the registration fees and the rates of the duty payable each year to the Régie by the electric power carrier, by an owner or operator referred to in paragraph 2 of section 85.3, by a person referred to in section 85.33 or by a distributor as well as the terms and conditions of payment, the rate of interest on sums due and the penalties exacted for failure to pay;

(2) the fees payable for the examination of an application submitted to the Régie;

(2.1) for a particular source of electric power supply, the corresponding energy block and maximum price established for the purpose of fixing the cost of electric power referred to in section 52.2 or for the purposes of the supply plan provided for in section 72, or for the purposes of a tender solicitation by the electric power distributor under section 74.1;

(2.2) the timeframe applicable to a public tender solicitation by the electric power distributor under section 74.1;

(2.3) the maximum production capacity referred to in section 74.3, which may vary with the source of renewable energy or the class of customers or producers specified;

(3) the provisions of a regulation under this section or section 114 the contravention of which constitutes an offence.

The fees, the rates, the terms and conditions, the energy block and the maximum price referred to in subparagraphs 1, 2 and 2.1 of the first paragraph may vary, in particular, according to the electric power carrier, the classes of owners or operators referred to in paragraph 2 of section 85.3, or the distributors or the classes of distributors or consumers. A regulation hereunder may also exclude the electric power carrier, a class of owners or operators referred to in paragraph 2 of section 85.3, a distributor or a class of distributors or consumers and it may exclude a petroleum products distributor on the basis of the volume of gasoline or diesel fuel intended for Québec markets that the distributor refines in Québec, trades with a refiner in Québec or brings into Québec.

The amount of the penalty the Government may determine under subparagraph 1 of the first paragraph may not exceed 15% of the amount that should have been paid.

In cases where energy needs are to be supplied out of an energy block, a regulation may provide that only certain classes of suppliers may be invited to tender by the electric power distributor and that the quantity of electric power required under each supply contract may be limited.

1996, c. 61, s. 112; 2000, c. 22, s. 50; 2001, c. 16, s. 3; 2000, c. 22, s. 50; 2006, c. 46, s. 50; 2010, c. 8, s. 7; 2011, c. 16, Sch. II, s. 53.

The following provisions are not in force:

in subparagraph 1 of the first paragraph, the words “the registration fees and”.

The above provisions will come into force on the date or dates to be fixed by the Government (2000, c. 22, s. 70).

113. The Régie may adopt rules of procedure applicable to the examination of applications or to public hearings.

1996, c. 61, s. 113.

114. The Régie may make regulations determining

(1) operating standards and technical requirements to be met by the electric power distributor or by natural gas distributors;

(2) standards concerning the continuation of an electric power or natural gas distribution system;

(3) *(subparagraph repealed)*;

(4) *(subparagraph repealed)*;

(5) the documents required for the examination of an application;

(6) the cases in which an operation referred to in section 73 requires an authorization and the applicable conditions;

(7) the form and tenor of a supply plan, and the intervals at which such a plan is to be submitted;

(8) the conditions under which and the cases in which a supply contract entered into by the electric power distributor must be approved by the Régie;

(9) the 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;

(10) *(subparagraph repealed)*.

The standards, documents, conditions and cases, and the form, tenor and intervals referred to in subparagraphs 1, 2, 5, 6 and 7 of the first paragraph may vary, in particular, according to the electric power carrier, the distributors or the classes of distributors. A regulation hereunder may also exclude the electric power carrier, a distributor or a class of distributors.

The method of calculation and terms of payment referred to in subparagraph 9 of the first paragraph may vary from one distributor or class of distributors to another. The Régie may also provide that a given provision of a regulation made under either of those subparagraphs is to become effective at different dates depending on whether it applies to electric power, natural gas, gasoline, diesel fuel, heating oil, propane or coal.

The amount of the penalty the Régie may determine under subparagraph 9 of the first paragraph may not exceed 15% of the amount that should have been paid.

The method of calculation referred to in subparagraph 9 of the first paragraph may provide for the repayment of any overpayments made by a distributor.

The sums to be repaid to a distributor are paid by the Minister of Sustainable Development, Environment and Parks. The surplus so paid may be taken out of the Consolidated Revenue Fund and debited from the Green Fund.

It is incumbent upon the Régie de l'énergie to determine the sums to be repaid to a distributor.

The sums to be repaid bear interest at the rate set under the second paragraph of section 28 of the Tax Administration Act (chapter A-6.002) as long as they stand to the credit of the Green Fund. Interest is capitalized monthly.

1996, c. 61, s. 114; 2000, c. 22, s. 51; 2006, c. 46, s. 51; 2011, c. 16, Sch. II, s. 54; 2013, c. 16, s. 183.

115. The rules of procedure and regulations made by the Régie must be submitted to the Government, which may approve them with or without amendments.

1996, c. 61, s. 115; 2006, c. 46, s. 52.

CHAPTER X

PENAL PROVISIONS

116. Whoever contravenes any of the provisions of the second paragraph of section 56 and sections 61, 71 and 80 or any decision of the Régie is liable to a fine of \$2,000 to \$4,000 for the first offence and of \$5,000 to \$50,000 for every subsequent offence.

Moreover,

(1) the electric power carrier or distributor or a natural gas distributor, if it contravenes any of the provisions of the first paragraph of section 53, the first paragraph of section 73 or section 87,

(2) the holder of exclusive electric power or natural gas distribution rights, if it contravenes section 72,

(3) the electric power carrier or an owner or operator referred to in section 85.14, if it contravenes section 73.1,

(4) the electric power carrier or a natural gas distributor, if it contravenes the first paragraph of section 74,

(5) the electric power distributor, if it contravenes the second paragraph of section 74.2, or

(6) a natural gas distributor, if it contravenes section 81;

(7) *(subparagraph repealed)*.

is liable to the penalties prescribed in the first paragraph.

1996, c. 61, s. 116; 2000, c. 22, s. 52; 2006, c. 46, s. 53; 2011, c. 16, Sch. II, s. 55.

117. The electric power carrier or distributor or any natural gas distributor, if it contravenes a regulatory provision determined under subparagraph 3 of the first paragraph of section 112 or whoever contravenes any of the provisions of sections 46 and 47 is liable to a fine of \$1,000 to \$2,000 for the first offence and of \$2,000 to \$5,000 for every subsequent offence.

The electric power carrier or distributor or any natural gas distributor, if it fails to submit the report referred to in section 75 or produces false information in that report, is liable to the penalties prescribed in the first paragraph.

A distributor is liable to the penalties prescribed in the first paragraph if it fails to file a registration statement under section 85.1 or 85.37 or under the fourth paragraph of section 85.36 or if it provides false information in a registration statement.

1996, c. 61, s. 117; 2000, c. 22, s. 53; 2006, c. 46, s. 54; 2011, c. 16, Sch. II, s. 56; 2013, c. 16, s. 183.

CHAPTER XI

AMENDING PROVISIONS

ACT RESPECTING THE EXAMINATION OF COMPLAINTS FROM CUSTOMERS OF ELECTRICITY DISTRIBUTORS

118. *(Omitted)*.

1996, c. 61, s. 118.

ACT RESPECTING THE EXPORTATION OF ELECTRIC POWER

119. *(Amendment integrated into c. E-23, s. 6)*.

1996, c. 61, s. 119.

120. *(Amendment integrated into c. E-23, s. 6.1).*

1996, c. 61, s. 120.

HYDRO-QUÉBEC ACT

121. *(Amendment integrated into c. H-5, s. 1).*

1996, c. 61, s. 121.

122. *(Amendment integrated into c. H-5, s. 21.3).*

1996, c. 61, s. 122.

123. *(Amendment integrated into c. H-5, s. 22.0.1).*

1996, c. 61, s. 123.

124. *(Omitted).*

1996, c. 61, s. 124.

125. *(Amendment integrated into c. H-5, s. 26).*

1996, c. 61, s. 125.

126. *(Repealed).*

1996, c. 61, s. 126; 2000, c. 22, s. 54.

127. *(Amendment integrated into c. H-5, s. 30).*

1996, c. 61, s. 127.

CONSUMER PROTECTION ACT

128. *(Amendment integrated into c. P-40.1, s. 5).*

1996, c. 61, s. 128.

ACT RESPECTING THE RÉGIE DU GAZ NATUREL

129. *(Omitted).*

1996, c. 61, s. 129.

ACT RESPECTING THE PROCESS OF NEGOTIATION OF THE COLLECTIVE AGREEMENTS IN THE PUBLIC AND PARAPUBLIC SECTORS

130. *(Amendment integrated into c. R-8.2, Schedule C).*

1996, c. 61, s. 130.

ACT RESPECTING THE CIVIL SERVICE SUPERANNUATION PLAN

131. *(Amendment integrated into c. R-12, Schedule I).*

1996, c. 61, s. 131.

ACT RESPECTING MUNICIPAL AND PRIVATE ELECTRIC POWER SYSTEMS

132. *(Amendment integrated into c. S-41, s. 2).*

1996, c. 61, s. 132.

133. *(Amendment integrated into c. S-41, s. 8).*

1996, c. 61, s. 133.

134. *(Amendment integrated into c. S-41, s. 16).*

1996, c. 61, s. 134.

135. *(Omitted).*

1996, c. 61, s. 135.

136. *(Amendment integrated into c. S-41, s. 17.1).*

1996, c. 61, s. 136.

ACT RESPECTING THE USE OF PETROLEUM PRODUCTS

137. *(Amendment integrated into c. U-1.1, s. 1).*

1996, c. 61, s. 137.

138. *(Omitted).*

1996, c. 61, s. 138.

139. *(Amendment integrated into c. U-1.1, s. 45.1).*

1996, c. 61, s. 139.

140. *(Amendment integrated into c. U-1.1, s. 65).*

1996, c. 61, s. 140.

141. *(Amendment integrated into c. U-1.1, s. 77).*

1996, c. 61, s. 141.

ACT RESPECTING NORTHERN VILLAGES AND THE KATIVIK REGIONAL GOVERNMENT

142. *(Amendment integrated into c. V-6.1, s. 190).*

1996, c. 61, s. 142.

143. *(Omitted).*

1996, c. 61, s. 143.

144. *(Omitted).*

1996, c. 61, s. 144.

145. *(Omitted).*

1996, c. 61, s. 145.

146. *(Omitted).*

1996, c. 61, s. 146.

CHAPTER XII

TRANSITIONAL AND FINAL PROVISIONS

147. The term of office of the commissioners of the Régie du gaz naturel shall end on 2 June 1997. The term of office of the Commissioner appointed under the Act respecting the examination of complaints from customers of electricity distributors (chapter E-17.1) shall end on 11 February 1998.

However, the commissioners of the Régie may, notwithstanding the expiry of their term, continue to examine and decide applications having been referred to them. They shall, in that case, be remunerated at an hourly rate determined on the basis of their annual salary.

1996, c. 61, s. 147.

148. Notwithstanding the first paragraph of section 10, the term of office of the first commissioners of the Régie appointed by the Government is three years as regards two of them, four years as regards two others and five years as regards the remaining three.

1996, c. 61, s. 148.

149. The employees of the Régie du gaz naturel and those placed at the disposal of the Commissioner appointed under the Act respecting the examination of complaints from customers of electricity distributors (chapter E-17.1) shall become employees of the Régie de l'énergie to the extent determined by the Government.

Such employees shall hold the positions and exercise the functions assigned to them by the Régie.

1996, c. 61, s. 149.

150. Any person in the employ of the Régie may apply for a transfer to a position in the civil service or enter a competition for promotion in accordance with the Public Service Act (chapter F-3.1.1) if, on 15 October 1997, the person was an employee with permanent tenure governed by the Public Service Act or if the person's transfer or appointment to the Régie occurred within the 12 months following that date.

1996, c. 61, s. 150.

151. Section 35 of the Public Service Act (chapter F-3.1.1) applies to any employee of the Régie referred to in section 150 who enters a competition for promotion to a position in the public service.

1996, c. 61, s. 151.

152. Where an employee of the Régie referred to in section 150 applies for a transfer or enters a competition for promotion, the employee may require the chairman of the Conseil du trésor to give him an assessment of the classification that would be assigned to him in the public service. The assessment must take account of the classification that the employee had in the public service on the date on which he ceased to be a public servant, as well as the years of experience and the formal training acquired in the course of his employment with the Régie.

Where an employee of the Régie is transferred pursuant to the first paragraph, the deputy minister or chief executive officer shall assign to him a classification compatible with the assessment obtained under the first paragraph.

Where an employee of the Régie is promoted pursuant to section 151, his classification must take account of the criteria set out in the first paragraph.

1996, c. 61, s. 152.

153. In some or all of the activities of the Régie are discontinued or if there is a shortage of work, any employee of the Régie referred to in section 150 is entitled to be placed on reserve in the public service with the classification he had on the date on which he ceased to be a public servant.

In such a case, the chairman of the Conseil du trésor shall, where applicable, establish his classification on the basis of the criteria set out in the first paragraph of section 152.

1996, c. 61, s. 153.

154. An employee placed on reserve pursuant to section 153 shall remain in the employ of the Régie until the chairman of the Conseil du trésor can assign him a position.

1996, c. 61, s. 154.

155. Subject to the remedies available under a collective agreement, any employee of the Régie referred to in section 150 who is removed from office or dismissed may bring an appeal under section 33 of the Public Service Act (chapter F-3.1.1).

1996, c. 61, s. 155.

156. The associations of employees certified in accordance with the provisions of Chapter IV of the Public Service Act (chapter F-3.1.1) which represented groups of employees on the date of the transfer or appointment of employees referred to in section 150 shall continue to represent those employees at the Régie de l'énergie until the expiry of the collective agreements in force at the time of the transfer or appointment.

Such associations of employees shall also represent the other employees of the Régie, according to the group to which they belong, until the expiry of the collective agreements referred to in the first paragraph.

The provisions of such collective agreements shall continue to apply to the employees of the Régie to the extent that they are applicable to them, until their date of expiry.

However, the provisions of such collective agreements concerning job security shall not apply to the employees referred to in the second paragraph.

1996, c. 61, s. 156.

157. *(Omitted).*

1996, c. 61, s. 157.

158. In all Acts and statutory instruments, every reference to a provision of the Act respecting the Régie du gaz naturel (chapter R-8.02) shall be a reference to the corresponding provision of this Act.

1996, c. 61, s. 158.

159. Every decision, order, regulation and resolution of the Régie du gaz naturel in any matter governed by this Act shall retain their effect until they are repealed, amended or replaced by a decision, order, regulation or resolution under this Act.

The same applies to a regulation made by the Government under paragraph 1 of section 67 of the Act respecting the Régie du gaz naturel (chapter R-8.02).

1996, c. 61, s. 159; 1997, c. 55, s. 33.

160. Proceedings instituted before the Commissioner appointed under the Act respecting the examination of complaints from customers of electricity distributors (chapter E-17.1) in any matter governed by Chapter VII shall be continued before the Régie de l'énergie, without further formality and according to the provisions of this Act.

1996, c. 61, s. 160.

161. The Régie shall become, without continuance of suit, a party to any proceeding instituted by or against the Régie du gaz naturel.

1996, c. 61, s. 161.

162. Proceedings instituted before the Régie du gaz naturel in any matter governed by this Act shall be continued before the Régie de l'énergie, without further formality and according to the provisions of this Act.

1996, c. 61, s. 162.

163. *(Repealed).*

1996, c. 61, s. 163; 1997, c. 83, s. 42.

164. Regulations and contracts made under section 22.0.1 of the Hydro-Québec Act (chapter H-5) before 2 May 1998 shall retain their effect until they are repealed, amended or replaced by a regulation, contract, decision or order under this Act.

1996, c. 61, s. 164.

164.1. For the purposes of subparagraph 1 of the first paragraph of section 49 and section 52.3, assets in operation and entered in the accounting records of the electric power carrier or distributor on or before 16 June 2000, those entered therein between that date and *(insert here the date of coming into force of the first regulation under subparagraph 1 of the first paragraph of section 73)*, assets the construction of which is authorized or exempted

from authorization by law or by the Government as provided by law on or before 16 June 2000 and assets the construction of which is authorized or exempted from authorization by the Government as provided by law between that date and (*insert here the date of coming into force of the first regulation under subparagraph 1 of the first paragraph of section 73*) are deemed to be prudently acquired and useful for the operation of an electric power transmission or distribution system.

Moreover, any expenditures arising from transmission service contracts or distribution service contracts entered into before 16 June 2000 are deemed to be necessary for the provision of the service.

2000, c. 22, s. 55.

165. The Government may, until 2 May 1998, fix or modify a rate for the supply of electric power by Hydro-Québec by adjusting the rates then in effect by not more than the average variation in the annual Consumer Price Index for Canada for the 12 months of the preceding year in relation to such Index for the 12 months of the year preceding that year.

The Consumer Price Index for Canada is that published by Statistics Canada under the Statistics Act (Revised Statutes of Canada, 1985, chapter S-19).

1996, c. 61, s. 165.

166. The records and documents of the Régie du gaz naturel shall become, without further formality, the records and documents of the Régie de l'énergie.

1996, c. 61, s. 166.

167. At the request of the Government and according to the parameters it determines, the Régie shall, on the proposal of the electric power distributor, fix the conditions of a pilot project to enable consumers or a class of consumers the Régie designates in accordance with the rules of the project to be supplied electric power by a supplier of their choice. The Régie shall then adjust the rate of the electric power distributor in accordance with the conditions of the pilot project.

1996, c. 61, s. 167; 2000, c. 22, s. 56.

168. Not later than 2 June 2000, the Minister shall report to the Government on the effects and impact of this Act on the energy sector.

The report shall be tabled in the National Assembly within the 15 following days or, if the Assembly is not sitting, within 15 days of resumption.

1996, c. 61, s. 168.

169. Within one year following the determination of an amount under section 59, the Régie shall report to the Minister on the impact of the measures introduced by sections 59 and 139 on prices and commercial practices in the gasoline and diesel fuel retail business.

The report shall be tabled in the National Assembly if it is sitting or, if it is not in session, within 30 days of resumption.

1996, c. 61, s. 169.

170. The appropriations granted to the Régie du gaz naturel shall be transferred to the Régie de l'énergie to the extent determined by the Government.

1996, c. 61, s. 170.

171. The Minister of Natural Resources and Wildlife is responsible for the administration of this Act.

1996, c. 61, s. 171; 2003, c. 8, s. 6; 2006, c. 3, s. 35.

172. The Government may provide that a provision of this Act or the regulations comes into force on different dates according as it applies to electric power, to natural gas, to steam or to petroleum products.

1996, c. 61, s. 172.

173. *(Omitted).*

1996, c. 61, s. 173.

SCHEDULE I.—

(Repealed).

2000, c. 22, s. 57; 2010, c. 20, s. 66.

REPEAL SCHEDULES

In accordance with section 9 of the Act respecting the consolidation of the statutes and regulations (chapter R-3), chapter 61 of the statutes of 1996, in force on 1 March 1997, is repealed, except sections 143 to 146, 157 and 173, effective from the coming into force of chapter R-6.01 of the Revised Statutes.

In accordance with section 9 of the Act respecting the consolidation of the statutes and regulations (chapter R-3), sections 1 to 7, 9 to 30, subparagraphs 1, 2, 4 and 5 of the first paragraph as well as the second paragraph of section 31, sections 32 to 71, 73 to 75, 77 to 113, paragraphs 1 to 6 of section 114, sections 115 to 118, 122, 127 to 132, 134, 135, 137, 138, 140 to 142, 147 to 156, 158 to 162, 166, the first paragraph of section 167 and sections 168 to 171 of chapter 61 of the statutes of 1996, in force on 1 April 1998, are repealed effective from the coming into force of the updating to 1 April 1998 of chapter R-6.01 of the Revised Statutes.

In accordance with section 9 of the Act respecting the consolidation of the statutes and regulations (chapter R-3), subparagraph 3 of the first paragraph of section 31, sections 72, 76, paragraph 7 of section 114, sections 119 to 121, 123 to 125, 133, 136 and 164 of chapter 61 of the statutes of 1996, in force on 1 April 1999, are repealed effective from the coming into force of the updating to 1 April 1999 of chapter R-6.01 of the Revised Statutes.