



BILL NO. 1

Government Bill

*1st Session, 62nd General Assembly
Nova Scotia
62 Elizabeth II, 2013*

**An Act to Amend Chapter 25
of the Acts of 2004,
the Electricity Act,
Respecting the Sale of Renewable Electricity**

CHAPTER 34
ACTS OF 2013

**AS ASSENTED TO BY THE LIEUTENANT GOVERNOR
DECEMBER 12, 2013**

The Honourable Andrew Younger
Minister of Energy

*Halifax, Nova Scotia
Printed by Authority of the Speaker of the House of Assembly*

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**An Act to Amend Chapter 25
of the Acts of 2004,
the Electricity Act,
Respecting the Sale of Renewable Electricity**

Be it enacted by the Governor and Assembly as follows:

1 This Act may be cited as the *Electricity Reform (2013) Act*.

2 **Subsection 2(1) of Chapter 25 of the Acts of 2004, the *Electricity Act*, as amended by Chapter 14 of the Acts of 2010 and Chapter 15 of the Acts of 2011, is further amended by**

(a) adding immediately after clause (aa) the following clause:

(aaa) “municipal utility” means the Board of Commissioners of the Berwick Electric Commission, The Electric Light Commissioners for Riverport, in the County of Lunenburg or an electric utility of the Municipality of the District of Guysborough, the Town of Antigonish, the Town of Lunenburg or the Town of Mahone Bay;

(b) adding “, but does not include a retail supplier” immediately after “Act” in the last line of clause (ab); and

(c) striking out clause (b) and substituting the following clauses:

(b) “retail customer” means a person who uses, for the person’s own consumption in the Province, electricity that the person did not generate;

(c) “retail supplier” means a person who is authorized to sell renewable low-impact electricity in accordance with this Act and the regulations, but does not include a wholesale customer;

(d) “wholesale customer” means Nova Scotia Power Incorporated or a municipal utility.

3 **Chapter 25 is further amended by adding immediately after Section 3A the following Sections:**

3B Notwithstanding the *Public Utilities Act*,

(a) a retail supplier is not a public utility to which the *Public Utilities Act* applies unless the retail supplier is deemed to be a public utility by the regulations; and

(b) the *Public Utilities Act* applies to a retail supplier who is deemed to be a public utility by the regulations, subject to any restrictions prescribed by the regulations.

3C (1) Effective on the date prescribed in the regulations,

(a) a retail supplier who meets the requirements in Section 3D may sell to a retail customer; and

(b) a retail customer, other than a customer of a municipal utility, may purchase from such a retail supplier,

renewable low-impact electricity generated within the Province.

(2) Nova Scotia Power Incorporated shall not refuse to provide service to a retail customer on the basis that the customer purchases renewable low-impact electricity from a retail supplier.

(3) The Board has all the power and authority necessary to implement this Section.

3D (1) No person shall act or purport to act as a retail supplier unless the person has been issued a retail supplier licence pursuant to Section 3E.

(2) Subsection (1) does not apply to a person who is

(a) deemed to be a public utility by the regulations; or

(b) a member of a class or category of retail suppliers prescribed by the regulations.

3E (1) A person may apply for a retail supplier licence in the form and manner prescribed by the regulations.

(2) Subject to any qualifications prescribed by the regulations, the Board may issue a retail supplier licence to an applicant, subject to any terms and conditions the Board considers appropriate and any terms and conditions prescribed by the regulations.

(3) The holder of a retail supplier licence may apply to amend the licence in the form and manner prescribed by the regulations.

(4) Where an application is made pursuant to subsection (3), the Board may

(a) amend the retail supplier licence, subject to any terms and conditions the Board considers appropriate and any terms and conditions prescribed by the regulations;

(b) cancel the retail supplier licence and grant a new retail supplier licence, subject to any terms and conditions the Board considers appropriate and any terms and conditions prescribed by the regulations; or

(c) deny the application.

(5) The Board may, in its discretion, and shall, if prescribed by the regulations, amend, suspend, reinstate or cancel a retail supplier licence.

3F No person shall transfer or assign a retail supplier licence unless the Board, in its discretion, permits the person to do so or the transfer or assignment is permitted by the regulations.

3G (1) Notwithstanding Section 77 of the *Public Utilities Act*, on or before the applicable date prescribed by the regulations, Nova Scotia Power Incorporated shall develop in consultation with stakeholders, and file with the Board for approval, any tariffs, procedures and standards of conduct and any amendments to existing tar-

iffs, procedures and standards of conduct that are necessary to facilitate the purchase of renewable low-impact electricity as provided for in Section 3C, including

- (a) a new or amended open access transmission tariff;
- (b) a distribution tariff;
- (c) a new or amended backup/top-up service tariff;
- (d) a new or amended non-dispatchable supplier spill tariff;
- (e) new or amended interconnection procedures;
- (f) new or amended market rules; and
- (g) any other tariffs, procedures or standards of conduct prescribed by the regulations or that the Board requires Nova Scotia Power Incorporated to develop or amend in order to facilitate the purchase of renewable low-impact electricity as provided for in Section 3C.

(2) In reviewing and approving the tariffs, procedures and standards of conduct required to be developed or amended pursuant to this Section, the Board shall be guided by the following principles:

- (a) customers of Nova Scotia Power Incorporated and persons who, at the coming into force of this Section, are independent power producers or hold feed-in tariff approvals within the meaning of the regulations are not to be negatively affected if some retail customers choose to purchase renewable low-impact electricity from a retail supplier;
- (b) retail suppliers and their customers are to be responsible for all costs related to the provision of service by retail suppliers to their customers that would otherwise be the responsibility of Nova Scotia Power Incorporated and its customers.

4 Chapter 25 is further amended by adding immediately after Section 4B the following Section:

4C (1) Within twelve months of the coming into force of this Section, the Minister shall complete a public consultation on future policy, plans, programs and regulations with respect to

- (a) emerging technologies that may affect the supply and demand for electricity in the Province;
- (b) market trends in the supply and demand for energy that may affect prices for electricity in the Province, including those relating to energy efficiency and conservation; and
- (c) emerging trends in the governance, organization, performance and accountabilities of persons who provide electricity generation and conveyance to electricity customers.

(2) The Minister may engage the services of experts, consultants and facilitators to assist with the consultation required by subsection (1).

(3) The Minister shall table in the Assembly a written report on the consultation undertaken pursuant to subsection (1) if the Assembly is then sitting or,

where the Assembly is not then sitting, file it with the Clerk of the House within two months of completion of the consultation.

5 (1) Subsection 5(1) of Chapter 25, as amended by Chapter 14 of the Acts of 2010 and Chapter 15 of the Acts of 2011, is further amended by

(a) striking out clause (a) and substituting the following clause:

(a) setting out the date or dates required for the purpose of subsection 2(2), 3(1), 3C(1), 3G(1) or 4(1);

(b) adding immediately after clause (c) the following clauses:

(ca) prescribing classes or categories of retail suppliers who are deemed to be public utilities and any provisions of the *Public Utilities Act* that do not apply with respect to them;

(cb) prescribing classes or categories of retail suppliers who do not require retail supplier licences to act or purport to act as retail suppliers;

(cc) prescribing tariffs, procedures and standards of conduct for the purpose of clause 3G(1)(g).

(2) Section 5 of Chapter 25, as amended by Chapter 14 of the Acts of 2010 and Chapter 15 of the Acts of 2011, is further amended by adding immediately after subsection (1A) the following subsection:

(1B) The Board may make regulations

(a) prescribing the form and manner of applying, and the procedure for considering an application, for a retail supplier licence or an amendment to a retail supplier licence;

(b) prescribing fees relating to any matter provided for in this Act or the regulations;

(c) prescribing the terms and conditions of a retail supplier licence;

(d) respecting the amendment, suspension, reinstatement or cancellation of a retail supplier licence;

(e) respecting the transfer or assignment of a retail supplier licence.

(3) Subsection 5(2) of Chapter 25, as amended by Chapter 15 of the Acts of 2011, is further amended by adding “or the Board” immediately after “Council” in the first line.

6 This Act comes into force on such day as the Governor in Council orders and declares by proclamation.
