

Draft 4

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CONSULTATION DRAFT

AN ACT TO AMEND THE ELECTRIC POWER ACT

BILL NO.

2021

BE IT ENACTED by the Lieutenant Governor and the Legislative Assembly of the Province of Prince Edward Island as follows:

- 1. Section 13 of the *Electric Power Act* R.S.P.E.I. 1988, Cap. E- 4 is amended by adding the following after subsection (2):**

Time-of-use pricing

- (3) Beginning on January 1, 2023, every public utility shall offer its customers, or certain classes of customers, the option to receive service through time-of-use pricing.

Rates to be based on renewable sources rates

- (4) Time-of-use pricing offered in accordance with subsection (3) shall provide for rates that vary based on the available supply of electric energy generated from renewable sources within the province, in accordance with the *Renewable Energy Act* R.S.P.E.I. 1988, Cap. R-12.1.

Clarification respecting variable rates

- (5) For greater clarity, the ordinary variations of rates throughout the day as part of time-of-use pricing do not constitute variations of rates for the purposes of subsection 20(1).

- 2.(1) Section 16.1 of the *Electric Power Act* R.S.P.E.I. 1988, Cap. E- 4 is amended by adding the following after subsection (5.1):**

Emissions reductions estimate

- (5.2) In addition to the requirements of subsection (5) or (5.1), an energy efficiency and demand-side resources plan that is submitted to the Commission by a public utility shall include a reasonable estimate of greenhouse gas and other emissions reductions that would be achieved under the plan.

(2) **Clause 16.1(6)(b) of the Act is amended by the addition of the words “, and meets the requirement of subsection (5.2)” following the words “may be”.**

3. Section 20 of the Act is amended by the addition of the following after subsection (1.2):

Promotion of energy efficiency

(1.3) A decision made under subsection (1) or (1.2)

- (a) shall ensure that any rates, tolls or charges that are confirmed, determined or fixed, promote energy efficiency and demand-side resource measures; and
- (b) where the decision relates to a residential class of customers, shall not permit a reduction in rates, tolls or charges for a service or a portion of a service that is based upon an increase in use of electric energy by a customer.

Definition, residential class

(1.4) For the purpose of subsection (1.3), “residential class of customers” means any class of residential customers recognized by the Island Regulatory and Appeals Commission.

Transitional, agricultural class

(1.5) Subsection (1.3) shall not apply in relation to an agricultural class of customers for the three years immediately following the coming into force of this subsection..

Definition, agricultural class

(1.6) For the purpose of subsection (1.5), “agricultural class of customers” means any class of agricultural customers recognized by the Commission, in which agricultural operators have the option to participate.

EXPLANATORY NOTES

SECTION 1 adds a requirement to the *Electric Power Act* that beginning on January 1, 2023, public utilities shall offer customers, or classes of customers, the option to receive service through time-of-use pricing at rates that vary based on the available supply of electric energy generated from renewable sources within the province.

SECTION 2 adds a requirement that an energy efficiency and demand-side resources plan include a reasonable estimate of greenhouse gas and other emissions reductions that would be achieved under the plan.

SECTION 3 provides that a decision by the Island Regulatory and Appeals Commission on a review of the rates, tolls or charges of a public utility shall ensure that any rates, tolls or charges that are confirmed, determined or fixed, promote energy efficiency and demand-side resource measures; and where the decision relates to a residential class of customers, shall not permit a reduction in rates, tolls or charges for a service or a portion of a service based on an increase in use of electric energy by a customer. The section also provides that such a decision shall not apply in relation to an agricultural class of customers for three years following the coming into force of proposed subsection 20(1.5).