NATIONAL ASSEMBLY OF QUÉBEC

FIRST SESSION FORTY-THIRD LEGISLATURE

Bill 69

An Act to ensure the responsible governance of energy resources and to amend various legislative provisions

Introduction

Introduced by
Mr. Pierre Fitzgibbon
Minister of Economy, Innovation and Energy

Québec Official Publisher
2024

EXPLANATORY NOTES

This bill entrusts new functions to the Minister of Economy, Innovation and Energy, including that of establishing and implementing an integrated energy resource management plan. It also clarifies the Minister's mission.

The bill modifies the mission of the Régie de l'énergie and sets out certain conditions regarding its composition and operations as well as the exercise of its functions and powers. The bill prescribes the procedure and conditions according to which the Régie fixes rates and conditions of service as well as the manner in which those rates and conditions are made public. It allows, among other things and in accordance with certain conditions, a distributor of natural gas to distribute energy by a means other than the distributor's natural gas distribution system, and provides that the Régie may take into account the resulting costs when fixing rates. It grants the Régie the power to fix the rates and conditions of service for a public fast-charging network for electric vehicles established by Hydro-Québec. It sets out terms governing the planning of supplies, and reporting, by the electric power carrier or by holders of exclusive electric power or natural gas distribution rights.

As concerns Hydro-Québec's electric power supply contracts, the bill withdraws Hydro-Québec's obligation to make calls for tenders, unless the Government decides otherwise. It also provides that such contracts may be entered into with the authorization of the Régie de l'énergie and establishes the cases where such an authorization is not required. The bill specifies the terms applicable where the Minister issues authorizations to distribute electric power to a holder who is not obliged to distribute it.

The bill provides that the Government may indicate to the Régie, with regard to any matter, the economic, social and environmental concerns the Régie must consider in its decisions. In addition, it makes storage licence holders within the meaning of the Act respecting natural gas storage and natural gas and oil pipelines subject to certain provisions of the Act respecting the Régie de l'énergie.

The bill enacts the Act respecting a financial assistance program to limit the impact of Hydro-Québec electric power distribution rate increases on the domestic clientele and establishing the Fonds d'aide *à la clientèle domestique d'Hydro-Québec. The enacted Act provides, in particular, that the Government establishes the terms of a financial assistance program, that the program is administered by Hydro-Québec and that a fund is created and is dedicated to the financing of the sums necessary to Hydro-Québec to administer the program.*

The bill increases, in the Watercourses Act, a hydro-electric power plant's maximum generating capacity attributable to the hydraulic power in the domain of the State to 100 megawatts, level below which the Government may lease that hydraulic power. It also provides, in that Act, that the Government may determine, by regulation, the rent and other fees payable for such leasing.

The bill sets out definitions in the Regulation respecting the quantity of gas from renewable sources to be delivered by a distributor for "renewable natural gas" and "gas from renewable sources". It also specifies, in the Regulation, the terms according to which gas is considered to be distributed.

The bill modifies Hydro-Québec's mission and provides that Hydro-Québec is required to supply electric power to the holders of exclusive electric power distribution rights. It reduces the number of members composing, and modifies the composition of, its board of directors. It repeals Hydro-Québec's obligation to maintain its power rates at a level that is sufficient to cover certain costs. It sets out the cases in which and conditions on which Hydro-Québec may carry out operations or work. It specifies that any agent of Hydro-Québec may enter on any immovable for certain purposes, such as to carry out preparatory work or to clear away any vegetation from the poles and wires of the electric power transmission or distribution system. It withdraws the obligation for Hydro-Québec to obtain the Government's authorization for the Minister of Economy, Innovation and Energy, the Minister of Natural Resources and Forests or the Minister of the Environment, the Fight Against Climate Change, Wildlife and Parks, each according to his or her jurisdiction to be able to place at Hydro-Québec's disposal any immovables or water powers forming part of the domain of the State. It sets out the cases in which and conditions on which Hydro-Québec or any of its subsidiaries may, among other things, acquire or hold shares of a legal person or interests in a partnership.

The bill allows the Government to authorize the closure of a well under certain conditions and despite certain provisions determined under the applicable Acts.

Lastly, the bill makes consequential amendments and contains miscellaneous, transitional and final provisions.

LEGISLATION AMENDED BY THIS BILL:

– Municipal Powers Act (chapter C-47.1);

– Act respecting the exportation of electric power (chapter E-23);

– Hydro-Québec Act (chapter H-5);

– Act respecting the Ministère de l'Économie et de l'Innovation (chapter M-14.1);

– Act respecting the Ministère des Ressources naturelles et de la Faune (chapter M-25.2);

– Act respecting the Ministère du Développement durable, de l'Environnement et des Parcs (chapter M-30.001);

– Petroleum Products Act (chapter P-30.01);

– Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine (chapter R-1.01);

– Act to reduce the debt and establish the Generations Fund (chapter R-2.2.0.1);

– Act respecting the Régie de l'énergie (chapter R-6.01);

– Watercourses Act (chapter R-13);

– Act respecting natural gas storage and natural gas and oil pipelines (chapter S-34.1);

– Act respecting municipal and private electric power systems (chapter S-41);

– 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);

– An Act mainly to cap the indexation rate for Hydro-Québec domestic distribution rate prices and to further regulate the obligation to distribute electricity (2023, chapter 1).

LEGISLATION ENACTED BY THIS BILL:

– Act respecting a financial assistance program to limit the impact of Hydro-Québec electric power distribution rate increases on the domestic clientele and establishing the Fonds d'aide à la clientèle domestique d'Hydro-Québec (*insert the year and chapter number of this Act and the number of the section of this Act that enacts the Act respecting a financial assistance program to limit the impact of Hydro-Québec electric power distribution rate increases on the domestic clientele and establishing the Fonds d'aide à la clientèle domestique d'Hydro-Québec*).

REGULATIONS AMENDED BY THIS BILL:

– Regulation respecting oil-fired heating appliances (chapter Q-2, r. 1.1);

– Regulation respecting the conditions and where authorization is required from the Régie de l'énergie (chapter R-6.01, r. 2);

– Rules of Procedure of the Régie de l'énergie (chapter R-6.01, r. 4.1);

– Regulation respecting the quantity of gas from renewable sources to be delivered by a distributor (chapter R-6.01, r. 4.3);

– Regulation respecting the annual duty payable to the Régie de l'énergie (chapter R-6.01, r. 7).

REGULATIONS REPEALED BY THIS BILL:

– Regulation respecting the maximum production capacity under a program to purchase electric power from small hydroelectric plants (chapter R-6.01, r. 0.1);

– Regulation respecting 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 de l'énergie (chapter R-6.01, r. 1).

Bill 69

AN ACT TO ENSURE THE RESPONSIBLE GOVERNANCE OF ENERGY RESOURCES AND TO AMEND VARIOUS LEGISLATIVE PROVISIONS

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

CHAPTER I

FUNCTIONS OF THE MINISTER OF ECONOMY, INNOVATION AND ENERGY

ACT RESPECTING THE MINISTÈRE DE L'ÉCONOMIE ET DE L'INNOVATION

1. The title of the Act respecting the Ministère de l'Économie et de l'Innovation (chapter M-14.1) is amended by replacing "et de l'Innovation" by ", de l'Innovation et de l'Énergie".

2. Section 1 of the Act is amended by replacing "and Innovation" and "et de l'Innovation" by ", Innovation and Energy" and ", de l'Innovation et de l'Énergie", respectively.

3. Section 2 of the Act is amended by inserting the following paragraph after the second paragraph:

"A further mission of the Minister is, as regards energy, to ensure responsible and integrated management of energy resources, with a view to energy transition and economic development."

4. The Act is amended by inserting the following division after section 14:

"**DIVISION IV**

"ENERGY

"**14.1.** In carrying out his or her mission as regards energy, the Minister is responsible for

(1) supporting, stimulating and promoting the production of energy as well as the development of new energy systems;

(2) contributing to developing and increasing the reliability and resilience of energy infrastructures;

(3) ensuring the maintaining of energy supplies as well as Québec's energy security by, among other things, promoting complementarity and balance between available energy sources;

(4) ensuring control of the development of all hydraulic power under his or her authority and all underground reservoirs;

(5) promoting the development of Hydro-Québec's activities; and

(6) seeing to the quality of energy products.

"**14.2.** Every 6 years, the Minister establishes a 25-year integrated energy resource management plan aimed at promoting energy development in Québec with a view to energy transition.

The plan may concern all sources of energy consumed in Québec and must contain a report on the energy situation and energy needs in Québec. It establishes policy directions to be complied with and objectives and targets to be achieved regarding energy and energy efficiency as well as, in particular for the electric power and natural gas markets, policy directions, objectives and targets regarding supply, energy infrastructure development and innovation.

The plan specifies the electric power supply target that Hydro-Québec must achieve to meet the electric power needs of Québec markets within the time frame indicated in the plan.

"**14.3.** The Minister establishes the plan in compliance with the government policy directions regarding economic development, the principles and objectives set out in the climate change framework policy provided for in section 46.3 of the Environment Quality Act (chapter Q-2) and the greenhouse gas reduction target set under section 46.4 of that Act. The Minister works with Hydro-Québec as well as, in particular, with the other holders of exclusive electric power distribution rights referred to in the second paragraph of section 62 of the Act respecting the Régie de l'énergie (chapter R-6.01) and natural gas distributors.

The Minister may request another minister, a government agency within the meaning of section 4 of the Auditor General Act (chapter V-5.01) or any person who transmits or distributes energy to provide to the Minister, within the time the Minister specifies, any relevant information or document for the purposes of the preparation of the plan.

The Minister also consults the population for the purposes of the preparation of the plan.

“**14.4.** The integrated energy resource management plan must be approved by the Government. The Minister publishes the approved plan on the Minister’s department’s website.

The Minister is responsible for implementing the plan.

The implementation of the climate change framework policy takes the plan into account.

“**14.5.** The Minister amends the plan if, in particular, the Minister considers that changes in the energy situation and energy needs in Québec or a review of the policy directions, objectives and targets referred to in section 14.2 make it necessary.

Section 14.4 applies to the amended plan.”

ACT RESPECTING THE MINISTÈRE DES RESSOURCES NATURELLES ET DE LA FAUNE

5. Section 12 of the Act respecting the Ministère des Ressources naturelles et de la Faune (chapter M-25.2) is amended, in the first paragraph,

(1) by replacing “hydraulic, mineral, energy” in subparagraphs 1 and 3 by “mineral”;

(2) by replacing “, metallurgy, hydraulics and energy” in subparagraph 4 by “and metallurgy”;

(3) by striking out subparagraphs 11 to 13 and 14.6 to 15;

(4) by replacing “and land registration and mineral, hydraulic, energy” in subparagraph 17 by “, land registration and mineral”.

6. Division II.0.1 of the Act, comprising section 17.1.2, is repealed.

7. Section 17.12.12 of the Act is amended by adding the following paragraph at the end:

“The Minister may make an agreement with the minister responsible for the administration of the Acts referred to in subparagraph 5 of the first paragraph allowing the latter to debit from the fossil energy management component of the Fund the sums providing for the financing of the activities necessary for the purposes of those Acts.”

8. Section 17.22 of the Act is amended by striking out “hydraulic,” and “energy,” in the first paragraph.

CHAPTER II

REGULATION OF QUÉBEC'S ENERGY SECTOR

DIVISION I

PROVISIONS APPLICABLE MAINLY TO THE FUNCTIONS AND POWERS OF THE RÉGIE DE L'ÉNERGIE

ACT RESPECTING THE RÉGIE DE L'ÉNERGIE

9. Section 1 of the Act respecting the Régie de l'énergie (chapter R-6.01) is amended by replacing the first paragraph by the following paragraph:

"This Act applies to electric power and natural gas supplies, to electric power transmission and distribution and to natural gas distribution by pipeline."

10. Section 2 of the Act is amended

(1) in the first paragraph,

(*a*) by striking out the definitions of "storage" and "electric power supply";

(*b*) by replacing the definitions of "natural gas", "gas from renewable sources" and "petroleum products" by the following definitions:

""natural gas" means a mixture of hydrocarbons in a gaseous or liquid state consisting primarily of methane, including renewable natural gas, or a mixture of those hydrocarbons with gas from renewable sources that may be added to it without compromising the mixture's capacity to be distributed by means of a natural gas distribution system;

""petroleum product" means a petroleum product within the meaning of section 2 of the Petroleum Products Act (chapter P-30.01);";

(*c*) by replacing "once it leaves transformation substations, including distribution lines at voltages below 44 kV and any equipment located between such lines and connecting points" in the definition of "electric power distribution system" by "and the equipment enabling their connection";

(*d*) by replacing the definition of "natural gas distribution system" by the following definition:

""natural gas distribution system" means installations and equipment for the distribution of natural gas by means of pipelines, for the injection of gas from renewable sources into the pipelines or for the adaptation of the system for the purposes of such injection, and connecting a natural gas transmission system or injection points for gas from renewable sources to consumers' installations;";

(*e*) by replacing the definition of "municipal or private electric power system" by the following definition:

""municipal electric power system" means an electric power system governed by the Act respecting municipal electric power systems (chapter S-41);";

(2) by striking out the first sentence of the second paragraph.

11. Section 2.1 of the Act is amended by striking out "or private".

12. The heading of Division I of Chapter II of the Act is amended by adding "AND MISSION" at the end.

13. Section 5 of the Act is replaced by the following section:

"**5.** The Régie's mission is to monitor Québec's energy sector and, in keeping with the principle of equity, to ensure a balance between the public interest and the interests of the electric power carrier and of distributors as well as consumer protection. Its mission is also to inform consumers.

In the exercise of its functions and powers, the Régie must promote the meeting of energy needs, an orderly energy transition at the lowest cost, innovation, and the maximizing of the economic, social and environmental benefits of energy for Quebecers in compliance with the policy directions and with a view to achieving the objectives and targets established by the integrated energy resource management plan referred to in section 14.2 of the Act respecting the Ministère de l'Économie et de l'Innovation (chapter M-14.1) as well as in compliance with the Government's other energy policies."

14. Section 7 of the Act is amended, in the first paragraph,

(1) by replacing "12 commissioners" by "not more than 12 commissioners";

(2) by inserting "; the chairman and vice-chairman shall act as commissioners holding an administrative office" at the end.

15. Section 8 of the Act is replaced by the following section:

"**8.** The Government may, by regulation, establish a procedure for recruiting and selecting commissioners and for renewing their term. The Government may, among other things, provide for the creation of committees to those ends."

16. Section 14 of the Act is replaced by the following section:

"**14.** In addition to the powers and duties that may otherwise be assigned to him, the chairman is responsible for the Régie's administration and general management.

The chairman's functions include

(1) directing the Régie's personnel and ensuring that they carry out their functions;

(2) coordinating the work of and assigning work to the commissioners, who must comply with the chairman's orders and directives in that regard;

(3) fostering commissioners' participation in the formulation of guiding principles for the Régie so as to maintain a high level of quality and coherence in its decisions;

(4) seeing that standards of ethical conduct are complied with;

(5) promoting the professional development of the commissioners and the Régie's personnel as regards the exercise of their functions and, to that end, periodically evaluating the knowledge and skills of the commissioners in the exercise of their functions."

17. Sections 16 and 17 of the Act are replaced by the following section:

"**16.** Applications filed with the Régie shall be examined by one or three commissioners designated by the chairman. However, applications referred to in Chapter IV or section 23 of the Hydro-Québec Act (chapter H-5) shall be examined by three commissioners.

Where three commissioners are designated to examine an application and one of them becomes unable to act or dies, the chairman shall designate a new commissioner to continue the examination. However, if a commissioner becomes unable to act or dies after the application has been taken under advisement, the other commissioners may, if unanimous, make the decision.

Where a single commissioner is designated to examine an application and becomes unable to act or dies, the chairman may

(1) where the application has not been taken under advisement and all participants agree, designate a new commissioner to continue the examination of the application; or

(2) in any other case, designate a new commissioner to recommence the examination of the application."

18. The Act is amended by inserting the following section after section 18:

"**18.1.** The chairman shall determine management objectives to ensure promptness and efficiency in the Régie's decision-making process, specifying, in particular, objectives with regard to time limits for processing applications filed with the Régie and to taking cases under advisement, which objectives may vary according to the type of application.

Objectives so determined shall be published on the Régie's website."

19. Section 24 of the Act is amended by replacing "and the number, nature and results of the inquiries made in the year" in the first paragraph by ", the number, nature and results of the inquiries made in the year as well as the results obtained in relation to the application of the management objectives referred to in section 18.1, including the time allotted to processing applications and to taking cases under advisement".

20. Section 25 of the Act is amended

(1) by replacing subparagraph 1 of the first paragraph by the following subparagraph:

"(1) when conducting a rate review under the first or third paragraph of section 48, when fixing rates and conditions of service under subparagraph 1 of the first paragraph or the third paragraph of section 48.1 and when examining an application filed under section 65, 78 or 80;";

(2) by replacing "when fixing or modifying a rate by applying section 48.3 or 48.4, when fixing or modifying the conditions for the distribution of electric power by the electric power distributor. The Régie may also call a public hearing on any matter within its jurisdiction, except when it determines the rate under the second paragraph of section 22.0.1.1 of the Hydro-Québec Act (chapitre H-5)" in the second paragraph by "on any matter within its jurisdiction".

21. Section 31 of the Act is amended

(1) in the first paragraph,

(*a*) by replacing subparagraph 1 by the following subparagraph:

"(1) fix the rates and conditions of service in the cases provided for in Chapter IV or in section 23 of the Hydro-Québec Act (chapter H-5);";

(*b*) by replacing "that consumers are adequately supplied" in subparagraph 2 by "that the holders of those rights adequately meet consumers' needs";

(*c*) by replacing "and natural gas distributors to ensure that consumers" in subparagraph 2.1 by "and the natural gas distributors in order to ensure that clients";

(*d*) by replacing subparagraphs 4 and 4.1 by the following subparagraph:

"(4) examine any complaint in accordance with Chapter VII and see to it that the rates and conditions fixed in accordance with the law are applied;";

(*e*) by replacing "filed under this Act" in subparagraph 5 by "that must be filed with it under a provision of the law";

(2) by striking out the second paragraph.

22. Section 32 of the Act is amended

(1) by replacing "or the electric power distributor or of a natural gas distributor" in paragraph 1 by ", the electric power distributor, a natural gas distributor or a storage licence holder within the meaning of the Act respecting natural gas storage and natural gas and oil pipelines (chapter S-34.1)";

(2) by replacing "or the electric power distributor or to a natural gas distributor" in paragraph 2 by ", the electric power distributor, a natural gas distributor or a storage licence holder";

(3) by replacing "to the electric power distributor and to each natural gas distributor" in paragraph 3.1 by "the electric power distributor, a natural gas distributor or a storage licence holder";

(4) by adding the following paragraph at the end:

"(4) determine general characteristics of contracts for the supply of gas from renewable sources that a natural gas distributor may enter into."

23. The Act is amended by inserting the following section after section 34:

"**34.1.** The Régie may order any person to provide any information or document necessary for the exercise of its functions."

24. The Act is amended by inserting the following section after section 35:

"**35.1.** Any interested person may apply to the Régie to request it to intervene during a public hearing held for the examination of an application or, if the Régie allows it, during the examination of any other application.

The Régie shall grant the application if the intervention is useful for its proceedings, based on whether the person's interest, taking into account the person's field of activities, is compatible with the issues to be dealt with, with regard to the public interest.

In addition, the Régie shall determine the issues the person's intervention may concern and the other conditions applicable to the intervention.

The Minister may intervene during the examination of any application and with respect to any issue."

25. Section 36 of the Act is amended

(1) by replacing "or any electric power or natural gas distributor" in the first paragraph by ", any electric power or natural gas distributor or a storage licence holder";

(2) in the second paragraph,

(*a*) by replacing "order the electric power carrier or any electric power or natural gas distributor" by "order them";

(*b*) by replacing "any person whose participation in Régie proceedings is considered useful by the Régie" by "the persons whose participation in Régie proceedings is considered useful by the Régie, ensuring that the financing is equitably distributed among those persons".

26. Section 44 of the Act is amended by striking out "or to the storage of natural gas" in subparagraph 2 of the first paragraph.

27. Sections 48 to 48.6 of the Act are replaced by the following sections:

"**48.** The Régie shall conduct, every three years, a rate review during which it shall establish, for the three rate years covered by the review, the revenues required annually by the electric power carrier or the electric power distributor to ensure the operation of its system, and during which the Régie shall fix the rates applicable as of, in the case of the electric power carrier, 1 January or, in the case of the electric power distributor, 1 April of each of those three rate years. The Régie may, in the manner it determines, spread out the rate increase for one or more of the years covered by the review over those three years.

In addition, the Régie shall, during a rate year, on the application of an interested person or on its own initiative, fix a rate or conditions of service applicable to the transmission or distribution of electric power by the electric power carrier or distributor referred to in the first paragraph. The Régie shall, in order to fix a rate and according to the year concerned, take into account the required revenues established in accordance with the first paragraph for the current rate year.

On the application of the electric power carrier or the electric power distributor made during the three rate years covered by a rate review conducted under the first paragraph, in exceptional circumstances, the Régie shall conduct a rate review referred to in that paragraph in the manner provided for in that paragraph.

The electric power distributor shall consult the Minister before making an application referred to in the second or third paragraph.

"**48.1.** The Régie shall fix the rates and conditions of service applicable to the distribution of natural gas, for a period of 12 months, as of the first day of a natural gas distributor's rate year. To that effect, the Régie shall, with respect to a period covering three rate years,

(1) establish the revenues required to ensure the operation of a natural gas distribution system during the first rate year and fix, based on those revenues, the natural gas distribution rates applicable for that first year;

(2) determine, for the purpose of establishing the revenues required for the last two rate years, a cost variance formula that takes into account, among other things, any surplus or loss of revenue for a previous rate year; and

(3) fix the natural gas distribution rates applicable as of the first day of each of a distributor's last two rate years referred to in subparagraph 2, taking into account the variance referred to in that subparagraph.

In addition, the Régie shall, during a rate year, on the application of an interested person or on its own initiative, fix a rate or conditions of service applicable to the distribution of natural gas. It shall take into account, according to the year concerned, the required revenues established in accordance with subparagraph 1 or 2 of the first paragraph.

On the application of a distributor made during a three-year period referred to in the first paragraph, due to special circumstances, the Régie shall fix the rates and conditions of service referred to in that paragraph in the manner provided for in that paragraph.

"**48.2.** For the purposes of sections 48 and 48.1, the electric power distributor and a natural gas distributor must provide the Régie with a document describing the impact a rate increase would have on low-income earners.

"**48.3.** The Régie shall make a decision on any application made under the second paragraph of section 48 or 48.1 within 60 days after taking the matter under advisement."

28. Section 49 of the Act, amended by section 26 of chapter 5 of the statutes of 2024, is again amended

(1) in the first paragraph,

(*a*) by replacing the introductory clause by the following:

"**49.** When the Régie fixes rates for the transmission or distribution of electric power or for the distribution of natural gas, it shall, in particular,";

(*b*) by inserting "or distributor" and "or distribution" after "electric power carrier" and "electric power transmission", respectively, in subparagraph 1;

(*c*) by replacing "carrier or a natural gas distributor and the satisfaction of consumer needs" in subparagraph 4 by "carrier or distributor or a natural gas distributor and the satisfaction of clients' needs";

(*d*) by replacing "consumers" in subparagraph 6 by "clients";

(*e*) by striking out subparagraphs 10 and 12;

(2) by replacing “delivery of” and “natural gas distributor allocates to carrying out the programs and measures for which the distributor is responsible under the energy transition, innovation and efficiency master plan” in the second paragraph by “distribution of electric power or” and “distributor allocates to financing its demand response and energy efficiency programs and measures”, respectively;

(3) by replacing the fourth paragraph by the following paragraphs:

“The Régie may also use any other method or take into account any other element it considers appropriate, in particular to facilitate the carrying out of the energy transition.

The revenues required for the operation of the electric power transmission or distribution system or of a natural gas distribution system, in accordance with subparagraphs 1 to 5 of the first paragraph, the second paragraph and the other provisions of this chapter, shall be established only in the cases referred to in the first or third paragraph of section 48 or in subparagraph 1 of the first paragraph or the third paragraph of section 48.1.”

29. Sections 50 to 52 of the Act are replaced by the following sections:

“**50.** For the purposes of subparagraph 1 of the first paragraph of section 49, assets necessary to ensure the operation of the electric power transmission or distribution system or a natural gas distribution system, acquired or constructed by the electric power carrier, the electric power distributor or a natural gas distributor, are presumed to be prudently acquired and useful.

Similarly, for the purposes of that subparagraph, the fair value of the assets shall be determined on the basis of the original cost, less depreciation.

“**51.** For the purposes of subparagraph 1 of the first paragraph of section 49, the fair value of the assets that may form part of the rate base of a natural gas distributor for projects expanding its distribution system to introduce the injection of gas from renewable sources does not include the value attached to the injection points and to the installations and equipment useful for injection.

Similarly, for the purposes of that subparagraph, the Régie shall give due consideration to the fair value of the assets referred to in the first paragraph that it considers prudently acquired and useful for such expansion projects, up to, for each of them, the lesser of an amount resulting from the application of a rate or a maximum amount determined by the Régie, on the proposal of the distributor concerned, in order to allow the distributor to recover part of that value from consumers.”

30. Section 52.1 of the Act is amended

(1) by replacing the first and second paragraphs by the following paragraph:

"When the Régie establishes the revenues required to ensure the operation of the electric power distribution system, it shall consider the electric power distributor's electric power supply costs, the transmission costs assumed by the distributor, the revenues required by the distributor to ensure the operation of the public fast-charging service for electric vehicles referred to in section 23 of the Hydro-Québec Act (chapter H-5) and the amounts of financial assistance granted and paid under section 39.0.1 of that Act, to the extent that the distributor has not been reimbursed for those amounts.";

(2) by replacing "Rates applicable to a class of consumers must be" in the third paragraph by "When fixing electric power distribution rates, the Régie shall ensure that rates applicable to a class of consumers are";

(3) by replacing "modify" in the fourth paragraph by "fix";

(4) by replacing "fourth paragraph does not apply where the Régie fixes or modifies" in the fifth paragraph by "third paragraph does not apply where the Government indicates its concerns to the Régie beforehand in accordance with section 109.1 or where the Régie fixes".

31. Section 52.1.1 of the Act is repealed.

32. Section 52.1.2 of the Act is amended

(1) by striking out the first paragraph;

(2) by replacing "Those revenues shall be determined" in the second paragraph by "For the purposes of the first paragraph of section 52.1, the revenues required to ensure the operation of the public fast-charging service for electric vehicles shall be established";

(3) by striking out the third paragraph.

33. Section 52.2 of the Act is replaced by the following section:

"**52.2.** The electric power supply costs referred to in section 52.1 shall be established by the Régie by adding

(1) the heritage pool electricity supply cost obtained by totalling the products obtained by multiplying the heritage pool electricity consumption attributable to each class of consumers for which a cost is determined by the Government under section 22.0.0.2 of the Hydro-Québec Act (chapter H-5) by the cost of heritage pool electricity that the Government determines under that section; and

(2) to meet the electric power needs of Québec markets in excess of the heritage pool,

(*a*) the costs of the electric power supply contracts entered into with electric power suppliers under sections 74.1 and 74.2; and

(*b*) the electric power supply costs where the electric power is produced from an immovable acquired, constructed or leased under subparagraph 1 of the second paragraph of section 29 of the Hydro-Québec Act, which are established by the Régie in such a manner that those costs reflect market costs for comparable products or services.

For the purposes of subparagraph *b* of subparagraph 2 of the first paragraph, the Régie may fix the cost for a supply referred to in that subparagraph for a period exceeding the period covered by the rate review referred to in the first or third paragraph of section 48."

34. Section 52.2.1 of the Act is amended by replacing "cost of electric power" and "cost to the electric power distributor" by "supply cost" and "electric power distributor's supply cost", respectively.

35. Section 52.3 of the Act is repealed.

36. The Act is amended by inserting the following sections after section 52.4:

"**52.5.** In addition to natural gas distribution rates, the Régie may, on the application of a natural gas distributor, fix rates and conditions of service the distributor may require from a consumer for

(1) the supply of natural gas, excluding renewable natural gas;

(2) the supply of gas from renewable sources;

(3) recovery of the cost assumed by the distributor for the transmission of natural gas;

(4) a load-balancing service offer; and

(5) recovery of other costs assumed by the distributor as an emitter referred to in section 46.6 of the Environment Quality Act (chapter Q-2) or to comply with an obligation to distribute a quantity of gas from renewable sources that is determined under subparagraph 5 of the first paragraph of section 112.

The revenues required to ensure provision of the services referred to in the first paragraph shall be established by the Régie taking into account the costs assumed by the distributor and, in the case of subparagraph 3, the excess transmission capacity provided for in the third paragraph of section 72.1. The Régie may also take into account the revenues generated by the distributor's participation in an instrument trading market established to promote the reduction of greenhouse gas emissions.

The rates fixed by the Régie must enable recovery of the required revenues referred to in the second paragraph. However, on the application of a distributor, the Régie may fix a lower rate for the service referred to in subparagraph 2 of the first paragraph. In addition, the rates referred to in subparagraphs 2 to 5 of that paragraph may vary according to classes of consumers.

“**52.6.** The Régie shall, in accordance with the first and fourth paragraphs of section 49, with the necessary modifications and on the application of a natural gas distributor or a producer of gas from renewable sources or on its own initiative, fix a distributor’s rates and conditions of service applicable to such a producer for the injection of gas from renewable sources. The fair value of the assets that may form part of the rate base of a natural gas distributor is the value attached to the injection points and to the installations and equipment useful for injection, as well as the value corresponding to the difference between the amount referred to in the first paragraph of section 51 and that referred to in the second paragraph of that section.

“**52.7.** The Régie shall, in accordance with the first and fourth paragraphs of section 49, with the necessary modifications and on the application of a storage licence holder or on its own initiative, fix the rates and conditions of service applicable to storage, by that licence holder, of natural gas or of gas from renewable sources.

“**52.8.** A decision of the Régie fixing an electric power distribution rate amends Schedule I to the Hydro-Québec Act (chapter H-5). The Régie shall publish amended Schedule I in the *Gazette officielle du Québec* after the rate is fixed.

The Régie shall also publish in the *Gazette officielle du Québec* any other rate it fixes, specifying the date on which the rate takes effect.

The electric power carrier or distributor, a natural gas distributor and a storage licence holder shall publish their rates and conditions of service on their website. Those rates and conditions are deemed to form part of any contract entered into with a client in relation to the services referred to in this chapter.”

37. Section 53 of the Act is amended

(1) by replacing “or a natural gas distributor may not, in respect of a consumer” in the first paragraph by “, a natural gas distributor or a storage licence holder may not, in respect of a client”;

(2) by replacing “a consumer” in the second paragraph by “a client”.

38. Section 60 of the Act is amended

(1) by replacing “operate an electric power distribution system” in the first paragraph by “distribute electric power to a consumer”;

(2) by replacing the second paragraph by the following paragraphs:

"Such rights do not prevent anyone from consuming the electric power they produce.

Such rights do not prevent anyone producing electric power from renewable sources from distributing it to a single consumer to meet the needs of the consumer's installations, insofar as the installations are situated on a site adjacent to the production site and the Government authorizes such distribution on the conditions it determines."

39. Section 61 of the Act is replaced by the following section:

"**61.** Except in the case referred to in the third paragraph of section 60, no one may distribute electric power to a consumer within a territory without being a holder of exclusive distribution rights within the territory."

40. Section 62 of the Act is amended

(1) by striking out "or private" in the first paragraph;

(2) by striking out the third paragraph;

(3) by replacing "customer" in the fourth paragraph by "consumer".

41. Section 63 of the Act is amended

(1) by replacing "deliver" in the first paragraph by "distribute";

(2) by replacing "purchase, sell or store natural gas" in the second paragraph by "supply or store natural gas or gas from renewable sources or to offer a load-balancing service".

42. Sections 71.1 and 71.2 of the Act are repealed.

43. Section 72 of the Act is replaced by the following sections:

"**72.** Every holder of exclusive electric power distribution rights shall submit to the Régie for approval, according to the tenor and intervals the Régie determines by regulation, a 15-year electric power supply plan prepared in compliance with the integrated energy resource management plan referred to in section 14.2 of the Act respecting the Ministère de l'Économie, de l'Innovation et de l'Énergie (chapter M-14.1).

The supply plan must present

(1) the annual estimates relating to the electric power needs of consumers and a description of the supplies available to the holder to meet those needs, taking into account demand response and energy efficiency programs and measures;

(2) the supply sources as well as the proposed quantities and the estimated time periods for meeting those needs; and

(3) an assessment of the risks inherent in the proposed supply sources and the measures the holder intends to take to mitigate those risks.

The Régie may determine, by regulation, the cases in which and conditions on which a holder of exclusive electric power distribution rights other than the electric power distributor is exempted from the obligation to submit a supply plan.

"**72.1.** Every holder of exclusive natural gas distribution rights shall submit to the Régie for approval, according to the tenor and intervals the Régie determines by regulation, a 10-year natural gas supply plan prepared in compliance with the integrated energy resource management plan referred to in section 14.2 of the Act respecting the Ministère de l'Économie, de l'Innovation et de l'Énergie (chapter M-14.1).

The supply plan must present

(1) annual estimates relating to the natural gas needs of consumers and a description of the supplies available to the holder to meet those needs, taking into account demand response and energy efficiency programs and measures;

(2) the proposed supply sources and the characteristics of the supply contracts the holder intends to enter into;

(3) an assessment of the risks inherent in the proposed supply sources and the measures the holder intends to take to mitigate those risks; and

(4) the strategy for adapting the natural gas distribution system, specifying, in particular, the areas that are technically and economically suited to the injection of gas from renewable sources into that system, and the expenditure and assets required to adapt the system for the injection of gas from renewable sources.

The plan must also take into account the excess transmission capacity the holder considers necessary to facilitate the development of industrial activities, which shall not be greater than 10% of the quantity of natural gas that the holder expects to distribute annually."

44. Section 73 of the Act is amended

(1) by inserting the following paragraph after the first paragraph:

"The first paragraph does not prevent an electric power carrier or a natural gas distributor from making investments for the purposes of inventories, surveys, examinations, analyses or other preparatory work when the investments are directly related to an operation provided for in the first paragraph. The carrier and distributor may also apply to the Régie for authorization of such investments and, where authorization is granted, the investments are presumed useful for the purposes of subparagraph 1 of the first paragraph of section 49.";

(2) in the second paragraph,

(*a*) by replacing the introductory clause by the following:

"When examining an application for authorization referred to in subparagraph 1 or 2 of the first paragraph, the Régie shall consider, where applicable,";

(*b*) by adding the following subparagraphs at the end:

"(3) the natural gas distributor's strategy referred to in subparagraph 4 of the second paragraph of section 72.1;

"(4) the electric power distribution system development plan referred to in section 85.1.1."

45. Sections 74.1 to 74.3 of the Act are replaced by the following sections:

"**74.1.** The electric power distributor shall ensure by any means the supplies required to meet the electric power needs of Québec markets in excess of the heritage pool.

Where the electric power distributor enters into an electric power supply contract for the purposes of the first paragraph, the distributor shall, in the cases and on the conditions the Régie determines by regulation, apply to the Régie for authorization of such a contract. The Régie may attach conditions to the authorization.

However, such authorization is not required

(1) where the electric power distributor awards a contract for the supply of electric power from renewable energy sources by way of a public call for tenders that ensures that the electric power suppliers responding to it are treated with fairness and impartiality;

(2) where the electric power distributor enters into an electric power supply contract because of an emergency or for a period not exceeding three months; or

(3) where the Government authorizes the electric power supply contract on the conditions it determines.

For the purposes of subparagraph 1 of the third paragraph, if a call for tenders concerns all sources of renewable energy, a demand response or energy efficiency project and the promoter of such a project are considered to be, respectively, an electric power supply and an electric power supplier.

"**74.2.** The Government may determine the general conditions applicable to public calls for tenders or to the electric power supply contracts of the electric power distributor.

The Government may also determine that the electric power distributor must make a public call for tenders to award an electric power supply contract for the volume of electric power it determines as well as the special conditions applicable to such a call for tenders or such a contract."

46. Section 75 of the Act is amended by inserting the following paragraphs after paragraph 4:

"(4.1) for a natural gas distributor, the implementation status of the supply plan referred to in section 72.1;

"(4.2) for the electric power carrier, the implementation status of the development plan referred to in section 85.1.1;".

47. The Act is amended by inserting the following section after section 75:

"**75.0.1.** A natural gas distributor shall, within 90 days after the end of a rate year for which the distributor must distribute the quantity of gas from renewable sources that is determined by the Government under subparagraph 5 of the first paragraph of section 112, send the Régie a report indicating the quantity of gas from renewable sources distributed during that rate year.

The Régie shall publish on its website the report sent by the distributor."

48. Section 76 of the Act is replaced by the following section:

"**76.** Every holder of exclusive electric power distribution rights shall distribute electric power to every person who so requests within the territory where their exclusive distribution rights obtain.

Despite the first paragraph, the Government may, by regulation, determine the cases in which and conditions on which a holder shall apply for the authorization of the Minister to distribute electric power. Any application for authorization made by the holder shall be accompanied by a notice regarding the holder's technical capabilities for connection.

If the Minister is of the opinion that the holder does not possess the technical capabilities for connection, the Minister shall reject the application. If the Minister finds otherwise, the Minister shall take into account, in particular and before issuing the authorization, the economic benefits and social and environmental impacts of the use of the electric power requested.

The Minister may join two or more applications for authorization where the Minister considers that the applications have the same purpose or a related purpose.

Where the Minister issues an authorization, the Minister may attach conditions to it, in particular conditions relating to the economic benefits and social and environmental impacts of the use of the electric power. The Minister may also impose a maximum time limit for entering into an electric power distribution service contract.

The Minister may require any information from a holder for the purposes of this section.

The Minister is not to issue an authorization referred to in the second paragraph if the application concerns a special contract referred to in the second paragraph of section 22.0.1 of the Hydro-Québec Act (chapter H-5)."

49. Section 76.1 of the Act is repealed.

50. Section 76.2 of the Act is amended

(1) by replacing "delivery" by "distribution";

(2) by replacing all occurrences of "client" by "consumer".

51. Section 77 of the Act is amended

(1) by replacing "deliver" in the first paragraph by "distribute";

(2) by replacing "a consumer", "or a consumer", ", transmit and deliver to the consumer", "the consumer" and "his own" in the second paragraph by "any person", "or of another person", "and distribute to the person having made the request", "the person having made the request and intended" and "the latter's own", respectively.

52. Section 78 of the Act is amended by replacing the first paragraph by the following paragraph:

"For the purposes of section 77, a person who is refused distribution by a natural gas distributor may apply to the Régie for an order directing the distributor to distribute natural gas to the person."

53. Section 79 of this Act is amended

(1) by replacing "a request under section 77 or 78 if the Régie" and "the consumer" in the first paragraph by "a person's request made under section 77 if the Régie" and "that person", respectively;

(2) in the second paragraph,

(*a*) by replacing "such request" by "a person's request made under section 77";

(*b*) by replacing "another" by "a";

(3) by replacing the first and second occurrences of "consumer" in the third paragraph by "person having made the request" and "that person", respectively.

54. The Act is amended by inserting the following section after section 79:

"**79.1.** The Minister may, after consulting with the Régie and on the conditions the Minister determines, exempt a natural gas distributor from following up on a request of a person referred to in section 77 where the distributor demonstrates to the Minister that it can supply or receive and distribute to such a person

(1) renewable natural gas using a vehicle; or

(2) by pipeline,

(*a*) gas from renewable sources, excluding renewable natural gas; or

(*b*) thermal energy generated from renewable sources or reclaimed by means of a system to recover residual materials.

Before granting an exemption, the Minister shall ensure, in particular, that the distributor can offer an equivalent and safe energy supply at a reasonable cost, complies with the policy directions and enables achievement of the objectives and targets established by the integrated energy resource management plan referred to in section 14.2 of the Act respecting the Ministère de l'Économie, de l'Innovation et de l'Énergie (chapter M-14.1).

Where the Minister grants the exemption, the Régie shall fix the rate for the supply of gas referred to in subparagraph 1 and subparagraph *a* of subparagraph 2 of the first paragraph in accordance with section 52.5, excluding subparagraphs 1 and 3 to 5 of the first paragraph of that section. The Régie shall also fix the rate for the supply of energy referred to in subparagraph *b* of subparagraph 2 of the first paragraph, which it shall establish taking into account the costs assumed by the distributor or in such a manner that ensures that those costs reflect the market costs for comparable products.

In addition, the cost of the distribution referred to in the first paragraph, required from the consumer by a natural gas distributor, shall not be less than the natural gas distribution rate fixed by the Régie and applicable to the same class of consumers, and the rate referred to in section 52.6 applies to a producer for the injection of gas from renewable sources that is referred to in subparagraph *a* of subparagraph 2 of the first paragraph, with the necessary modifications.

"**79.2.** On the application of a natural gas distributor having obtained an exemption under section 79.1, the Régie shall, when establishing the rate base and determining the overall amounts of expenditure in accordance with subparagraphs 1 and 2 of the first paragraph of section 49 for the purpose of fixing a distribution rate for the distributor's natural gas, also give due consideration, in relation to the distribution referred to in section 79.1, up to a maximum amount determined by the Régie, which must not increase the natural gas distribution rate, to the fair value of the assets the Régie considers prudently acquired and useful, the overall amounts of expenditure it considers necessary and the unamortized research and development and marketing expenditures, as well as to the operating revenues collected by the natural gas distributor. However, the fair value of the assets that is attached to the injection points and the facilities and equipment useful for injecting gas from renewable sources referred to in subparagraph *a* of subparagraph 2 of the first paragraph of section 79.1 shall not be included in the rate base except for the purposes described in section 52.6.

"**79.3.** The Minister may, on the application of a natural gas distributor that demonstrates to the Minister that it can supply or receive and distribute, within the territory served by the distributor's natural gas distribution system, to a person or a class of persons, the gas or energy referred to in subparagraphs 1 and 2 of the first paragraph of section 79.1 in the manner specified in those subparagraphs, authorize, on the conditions that the Minister determines, the Régie to give due consideration, when establishing the rate base and the overall amounts of expenditure in accordance with subparagraphs 1 and 2 of the first paragraph of section 49 in respect of such a distributor, to the elements listed in section 79.2 in the manner provided for in that section.

Before granting the authorization, the Minister shall ensure, in particular, that it complies with the policy directions and enables achievement of the objectives and targets established by the integrated energy resource management plan referred to in section 14.2 of the Act respecting the Ministère de l'Économie, de l'Innovation et de l'Énergie (chapter M-14.1).

Where the Minister grants the authorization, the distributor is exempted from following up on a request made by a person referred to in section 77, where applicable. In addition, the third and fourth paragraphs of section 79.1 apply.

"**79.4.** The ministerial order provided for in section 79.1 or 79.3 shall be published on the Minister's department's website."

55. Section 80 of the Act is amended by striking out "and private" in the sixth paragraph.

56. Section 82 of the Act is amended by replacing ", transmission and delivery of natural gas to the distributor's customers" in the second paragraph by "and distribution of natural gas to the distributor's consumers."

57. Section 83 of the Act is amended by replacing "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" by "the exercise of his exclusive natural gas distribution rights".

58. The Act is amended by inserting the following division after the heading of Chapter VI.1:

"**DIVISION 0.1**

"PLANNING OF THE ELECTRIC POWER CARRIER

"**85.1.1.** The electric power carrier must, not later than six months after the Régie approves the electric power distributor's supply plan and in compliance with that plan, submit to the Régie for approval a 15-year electric power transmission system development plan prepared in compliance with the integrated energy resource management plan referred to in section 14.2 of the Act respecting the Ministère de l'Économie, de l'Innovation et de l'Énergie (chapter M-14.1).

"**85.1.2.** The electric power carrier must make available online information on capabilities for connection to the electric power transmission system.

The Régie shall determine, by regulation, the information that must be made available by the electric power carrier, which may vary according to the zones or installations that form part of the electric power transmission system. The regulation may also determine the manner and intervals according to which the information is to be made available.

"**85.1.3.** The electric power carrier must, on its own initiative or at the request of the Régie, submit to the Régie a code of conduct designed to ensure fair access to the electric power transmission system for the carrier's customers.

The code of conduct must be approved by the Régie and, once the code is approved, the electric power carrier shall publish it on its website."

59. Section 85.4 of the Act is amended by replacing "With the authorization of the Government, the Régie may" in the introductory clause of the first paragraph by "The Régie may, in accordance with the law,".

60. Section 85.18 of the Act is amended by replacing "consumer" by "client."

61. Section 85.41 of the Act, amended by section 27 of chapter 5 of the statutes of 2024, is again amended by replacing "general objectives and targets regarding energy transition, innovation and efficiency and such economic, social and environmental concerns as have been identified by order of the Government" in the fifth paragraph by ", objectives and targets established by the integrated energy resource management plan referred to in section 14.2 of the Act respecting the Ministère de l'Économie, de l'Innovation et de l'Énergie (chapter M-14.1)".

62. The heading of Chapter VII of the Act is amended by striking out "CONSUMER".

63. Section 86 of the Act is replaced by the following section:

"**86.** Complaints concerning the application of a rate or a condition of service are subject to the provisions of this chapter."

64. Section 96 of the Act is repealed.

65. Section 98 of the Act is amended by replacing "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" by "application of the rates and the conditions of service has been".

66. The heading of Chapter IX of the Act is amended by adding "ECONOMIC, SOCIAL AND ENVIRONMENTAL CONCERNS AND" at the beginning.

67. The Act is amended by inserting the following division after the heading of Chapter IX:

"**DIVISION 0.1**

"ECONOMIC, SOCIAL AND ENVIRONMENTAL CONCERNS

"**109.1.** The Government may indicate to the Régie the economic, social and environmental concerns that the Régie must consider in any decision it makes under the law."

68. Section 112 of the Act is amended

(1) in the first paragraph,

(*a*) by replacing subparagraphs 2.1 to 2.4 by the following subparagraph:

"(2.1) the cases in which and conditions on which a holder must apply for the authorization of the Minister to distribute electric power;";

(*b*) by replacing subparagraphs 4 and 5 by the following subparagraphs:

"(4) what constitutes renewable natural gas or gas from renewable sources for the purposes of this Act;

"(5) the quantity of gas from renewable sources that is to be distributed by a natural gas distributor and the terms and conditions according to which it is to be distributed, which may vary according to the quantity of natural gas distributed by the distributor or according to classes of consumers;";

(2) in the second paragraph,

(*a*) by replacing "the rates, the terms and conditions, the energy block and the maximum price referred to in subparagraphs 1, 2 and 2.1" by "rates and terms and conditions referred to in subparagraphs 1 and 2";

(*b*) by replacing both occurrences of "consumers" by "clients";

(3) by striking out the fourth and fifth paragraphs.

69. Section 113 of the Act is amended, in the second paragraph,

(1) by replacing "36" in the introductory clause by "35.1";

(2) by striking out subparagraphs 1 and 2.

70. Section 114 of the Act is amended

(1) in the first paragraph,

(*a*) by replacing "continuation" in subparagraph 2 by "maintenance";

(*b*) by replacing "activité" in subparagraph 6 in the French text by "opération";

(*c*) by replacing subparagraphs 7 and 8 by the following subparagraphs:

"(7) the tenor and intervals according to which a supply plan referred to in section 72 or 72.1 must be submitted to the Régie;

"(8) the cases in which and conditions on which a holder of exclusive electric power distribution rights other than the electric power distributor is exempted from the obligation to submit a supply plan to the Régie for approval;

"(9) the cases in which and conditions on which the electric power distributor must apply to the Régie for authorization of an electric power supply contract;

"(10) the information that must be made available by the electric power carrier under section 85.1.2, which may vary according to the zones or installations that form part of the electric transmission system, and the manner and intervals according to which the information is to be made available; and";

(2) by replacing "form, tenor and" and "5, 6 and 7" in the second paragraph by "tenor and" and "and 5 to 8", respectively.

71. Section 116 of the Act is amended, in the second paragraph,

(1) by replacing subparagraph 1 by the following subparagraph:

"(1) the electric power carrier or distributor, a natural gas distributor or a storage licence holder, if it contravenes the first paragraph of section 53 or the first paragraph of section 73;";

(2) by replacing "section 72" in subparagraph 2 by "the first paragraph of section 72 or the first paragraph of section 72.1";

(3) by replacing "74.2" in subparagraph 5 by "74.1";

(4) by inserting the following subparagraphs after subparagraph 6:

"(7) the electric power carrier, if it contravenes section 85.1.1, the first paragraph of section 85.1.2 or section 85.1.3; and

"(8) the electric power carrier or any distributor that contravenes section 87."

72. Section 117 of the Act is amended

(1) by replacing "or distributor or any natural gas distributor" in the first paragraph by "and a holder of exclusive electric power or natural gas distribution rights";

(2) by inserting "or 75.0.1" after "section 75" in the second paragraph.

73. Section 171 of the Act is amended by replacing "of Natural Resources and Wildlife" by "of Economy, Innovation and Energy".

74. Schedule II to the Act is amended

(1) by replacing paragraph 10 by the following paragraphs:

"**10.** Update on investment, specifying for each project over $25 million,

(*a*) the objectives of the project;

(*b*) a description of the project;

(*c*) a justification for the project in relation to its objectives;

(*d*) a detailed presentation of the costs associated with the project;

(*e*) the impact on rates; and

(*f*) the impact on the quality of the provision of the electric power distribution service;

"**10.1.** Update on commercial programs;";

(2) by replacing "Particulars" in paragraph 13 by "Implementation status of the supply plan referred to in section 72, particulars";

(3) by striking out paragraph 14;

(4) by striking out "or modifying" in paragraph 19.

DIVISION II

OTHER PROVISIONS RELATING TO THE REGULATION OF THE QUÉBEC ENERGY SECTOR

ACT RESPECTING A FINANCIAL ASSISTANCE PROGRAM TO LIMIT THE IMPACT OF HYDRO-QUÉBEC ELECTRIC POWER DISTRIBUTION RATE INCREASES ON THE DOMESTIC CLIENTELE AND ESTABLISHING THE FONDS D'AIDE À LA CLIENTÈLE DOMESTIQUE D'HYDRO-QUÉBEC

75. The Act respecting a financial assistance program to limit the impact of Hydro-Québec electric power distribution rate increases on the domestic clientele and establishing the Fonds d'aide à la clientèle domestique d'Hydro-Québec, the text of which appears in this section, is enacted.

"ACT RESPECTING A FINANCIAL ASSISTANCE PROGRAM TO LIMIT THE IMPACT OF HYDRO-QUÉBEC ELECTRIC POWER DISTRIBUTION RATE INCREASES ON THE DOMESTIC CLIENTELE AND ESTABLISHING THE FONDS D'AIDE À LA CLIENTÈLE DOMESTIQUE D'HYDRO-QUÉBEC

"**1.** The Government may, on the recommendation of the Minister of Economy, Innovation and Energy and the Minister of Finance, establish a financial assistance program to limit the impact of Hydro-Québec electric power distribution rate increases on the domestic clientele.

The program is administered by Hydro-Québec.

The Government may, in particular, determine the terms governing the application of the program and the terms governing Hydro-Québec's reporting.

“**2.** The Fonds d’aide à la clientèle domestique d’Hydro-Québec (the Fund), an assistance fund for Hydro-Québec’s domestic clientele, is established within the Ministère des Finances; the Fund is dedicated to the payment of the sums necessary to Hydro-Québec to administer the program.

“**3.** The following are credited to the Fund:

(1) the amounts paid into it under section 15.1.2 of the Hydro-Québec Act (chapter H-5);

(2) the amounts transferred to it by the Minister out of the appropriations granted for that purpose by Parliament;

(3) the amounts transferred to it by the Minister under sections 53 and 54 of the Financial Administration Act (chapter A-6.001); and

(4) the gifts, legacies and other contributions paid into the Fund to further the achievement of its purposes.

“**4.** The Minister of Finance may debit from the Fund the amounts needed to pay the sums necessary to Hydro-Québec to administer the program.

“**5.** Any surpluses accumulated by the Fund are transferred to the general fund on the dates and to the extent determined by the Government.

“**6.** The Minister of Economy, Innovation and Energy is responsible for the administration of this Act, except sections 2 to 5, which are under the responsibility of the Minister of Finance.”

MUNICIPAL POWERS ACT

76. Section 17.5 of the Municipal Powers Act (chapter C-47.1) is amended by replacing “50” by “100”.

77. Section 111.3 of the Act is amended by replacing “50” by “100”.

ACT RESPECTING THE MINISTÈRE DU DÉVELOPPEMENT DURABLE, DE L’ENVIRONNEMENT ET DES PARCS

78. Section 10.2 of the Act respecting the Ministère du Développement durable, de l’Environnement et des Parcs (chapter M-30.001), enacted by section 22 of chapter 5 of the statutes of 2024, is amended

(1) by replacing “referred to in section 17.1.2 of the Act respecting the Ministère des Ressources naturelles et de la Faune (chapter M-25.2)” in the first paragraph by “established by the integrated energy resource management plan referred to in section 14.2 of the Act respecting the Ministère de l’Économie, de l’Innovation et de l’Énergie (chapter M-14.1)”;

(2) by replacing “meet the policy directions, general objectives and targets referred to in section 17.1.2 of the Act respecting the Ministère des Ressources naturelles et de la Faune” in the third paragraph by “comply with the policy directions or to achieve the objectives and targets established by the integrated energy resource management plan referred to in section 14.2 of the Act respecting the Ministère de l’Économie, de l’Innovation et de l’Énergie”.

79. Section 10.5 of the Act, enacted by section 22 of chapter 5 of the statutes of 2024, is amended by striking out “and private” in paragraph 3 of the definition of “energy distributor” in the fifth paragraph.

80. Section 15.4.40 of the Act is amended by inserting “, and those collected under the ninth paragraph of section 29 of the Hydro-Québec Act (chapter H-5)” at the end of subparagraph 11 of the first paragraph.

ACT TO REDUCE THE DEBT AND ESTABLISH THE GENERATIONS FUND

81. Section 3 of the Act to reduce the debt and establish the Generations Fund (chapter R-2.2.0.1) is amended

(1) by replacing subparagraph 1 of the first paragraph by the following subparagraph:

“(1) the sums derived from the lease and development of hydraulic power under sections 3 and 68 to 70 of the Watercourses Act (chapter R-13) and the development of water power under section 16.1 and the ninth paragraph of section 29 of the Hydro-Québec Act (chapter H-5);”;

(2) by striking out the second paragraph.

WATERCOURSES ACT

82. Section 1 of the Watercourses Act (chapter R-13) is amended by replacing “of Natural Resources and Wildlife” by “of Economy, Innovation and Energy”.

83. Section 3 of the Act is amended

(1) by replacing “50” in subparagraphs 1 and 2 of the second paragraph by “100”;

(2) by replacing the fourth paragraph by the following paragraph:

“The Government may, by regulation, determine the rent and other fees payable for the lease of hydraulic power in the domain of the State authorized under subparagraph 2 of the second paragraph as well as the terms and conditions applicable to their collection. Those sums shall be credited to the Generations Fund.”

84. Section 3.1 of the Act is amended by inserting “, subject to section 32 of the Hydro-Québec Act (chapter H-5),” after “No person may” in the first paragraph.

85. Section 68 of the Act is amended

(1) by replacing “of Natural Resources and Wildlife” in the fourth paragraph by “of Economy, Innovation and Energy”;

(2) by striking out the fifth paragraph.

86. Section 68.1 of the Act is repealed.

87. Section 70 of the Act is amended by replacing both occurrences of “of Natural Resources and Wildlife” by “of Economy, Innovation and Energy”.

ACT RESPECTING MUNICIPAL AND PRIVATE ELECTRIC POWER SYSTEMS

88. The title of the Act respecting municipal and private electric power systems (chapter S-41) is amended by striking out “and private”.

89. Section 8 of the Act is amended by replacing the second paragraph by the following paragraph:

“They must in no case entail, for each class of consumers, a cost higher than, as the case may be,

(1) the cost resulting from the rate set out in Schedule I to the Hydro-Québec Act (chapter H-5) for electricity supplied by Hydro-Québec for an equivalent class of consumers; or

(2) the cost referred to in subparagraph 1 after the application of the terms of a program established under section 1 of the Act respecting a financial assistance program to limit the impact of Hydro-Québec electric power distribution rate increases on the domestic clientele and establishing the Fonds d’aide à la clientèle domestique d’Hydro-Québec (*insert the year and chapter number of this Act and the number of the section of this Act that enacts the Act respecting a financial assistance program to limit the impact of Hydro-Québec electric power distribution rate increases on the domestic clientele and establishing the Fonds d’aide à la clientèle domestique d’Hydro-Québec*).”

90. Division VII.1 of the Act, comprising section 17.1, is repealed.

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

91. Section 9 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 (1986, chapter 21) is amended by replacing the second paragraph by the following paragraph:

"The rates and conditions shall be fixed for each category of consumers and shall in no case entail, for any category, a cost higher than, as the case may be,

(1) the cost resulting from the rate set out in Schedule I to the Hydro-Québec Act (chapter H-5) for electricity supplied by Hydro-Québec for an equivalent class of consumers; or

(2) the cost referred to in subparagraph 1 after the application of the terms of a program established under section 1 of the Act respecting a financial assistance program to limit the impact of Hydro-Québec electric power distribution rate increases on the domestic clientele and establishing the Fonds d'aide à la clientèle domestique d'Hydro-Québec (*insert the year and chapter number of this Act and the number of the section of this Act that enacts the Act respecting a financial assistance program to limit the impact of Hydro-Québec electric power distribution rate increases on the domestic clientele and establishing the Fonds d'aide à la clientèle domestique d'Hydro-Québec*)."

ACT MAINLY TO CAP THE INDEXATION RATE FOR HYDRO-QUÉBEC DOMESTIC DISTRIBUTION RATE PRICES AND TO FURTHER REGULATE THE OBLIGATION TO DISTRIBUTE ELECTRICITY

92. Sections 7 and 10 of the Act mainly to cap the indexation rate for Hydro-Québec domestic distribution rate prices and to further regulate the obligation to distribute electricity (2023, chapter 1) are repealed.

93. Section 11 of the Act is amended by striking out ", except section 7, which comes into force on the date of coming into force of the first regulation made under subparagraph 2.4 of the first paragraph of section 112 of the Act respecting the Régie de l'énergie, enacted by section 8".

REGULATION RESPECTING OIL-FIRED HEATING APPLIANCES

94. Section 4 of the Regulation respecting oil-fired heating appliances (chapter Q-2, r. 1.1) is amended by striking out "or private" and "and private".

REGULATION RESPECTING THE MAXIMUM PRODUCTION CAPACITY UNDER A PROGRAM TO PURCHASE ELECTRIC POWER FROM SMALL HYDROELECTRIC PLANTS

95. The Regulation respecting the maximum production capacity under a program to purchase electric power from small hydroelectric plants (chapter R-6.01, r. 0.1) is repealed.

REGULATION RESPECTING 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 DE L'ÉNERGIE

96. The Regulation respecting 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 de l'énergie (chapter R-6.01, r. 1) is repealed.

REGULATION RESPECTING THE CONDITIONS AND CASES WHERE AUTHORIZATION IS REQUIRED FROM THE RÉGIE DE L'ÉNERGIE

97. Section 1 of the Regulation respecting the conditions and cases where authorization is required from the Régie de l'énergie (chapter R-6.01, r. 2) is amended

(1) in subparagraph 1 of the first paragraph,

(*a*) by replacing "$65,000,000" in subparagraph *a* by "$250,000,000";

(*b*) by striking out subparagraph *b*;

(*c*) by replacing "the distributor's total annual delivery" in subparagraph *c* by "a distributor's total annual volume distributed";

(*d*) by replacing "the distributor's total annual delivery is less than" in subparagraph *d* by "a distributor's total volume distributed annually is less than";

(2) by replacing "or electric power or natural gas distribution system" in the second paragraph by "or a natural gas distribution system".

98. Section 2 of the Regulation is amended by striking out "electric power or" before "natural gas" in subparagraph 8.

99. Section 3 of the Regulation is amended by striking out "electric power or" in subparagraph 2.

100. Section 5 of the Regulation is amended by striking out "electric power or" before "natural gas" in subparagraph 5.

RULES OF PROCEDURE OF THE RÉGIE DE L'ÉNERGIE

101. Section 1 of the Rules of Procedure of the Régie de l'énergie (chapter R-6.01, r. 4.1) is amended by replacing "authorized by the Régie to participate in the examination of an application in order to present a point of view" in the definition of "intervenor" by "whose intervention is authorized by the Régie under section 35.1 of the Act respecting the Régie de l'énergie (chapter R-6.01)".

102. Section 15 of the Rules is repealed.

103. Section 16 of the Rules is amended by inserting "and in the manner provided for in section 7" at the end of the first paragraph.

104. Section 19 of the Rules is repealed.

REGULATION RESPECTING THE QUANTITY OF GAS FROM RENEWABLE SOURCES TO BE DELIVERED BY A DISTRIBUTOR

105. The title of the Regulation respecting the quantity of gas from renewable sources to be delivered by a distributor (chapter R-6.01, r. 4.3) is amended by replacing "the quantity of gas from renewable sources to be delivered by a distributor" by "gas from renewable sources".

106. Section 0.1 of the Regulation is replaced by the following section:

"**0.1.** For the purposes of the Act respecting the Régie de l'énergie (chapter R-6.01) and this Regulation, "renewable natural gas" means gas that is produced

(1) from non-fossil organic materials degraded by means of biological processes, in particular by anaerobic digestion, or by means of thermochemical processes, in particular by gasification; or

(2) from hydrogen produced in accordance with subparagraph 3 of the second paragraph and from non-fossil carbon monoxide or carbon dioxide.

Likewise, "gas from renewable sources" means

(1) renewable natural gas referred to in the first paragraph;

(2) biogas produced from non-fossil organic materials degraded by means of biological processes, in particular by anaerobic digestion, and composed of methane and carbon dioxide as well as of other components; and

(3) hydrogen that is produced

(*a*) from non-fossil organic materials degraded by means of thermochemical processes, in particular by gasification;

(*b*) by the electrolysis of water using electricity that comes exclusively from renewable energy sources; or

(*c*) during an industrial process, the purpose of which is not to obtain the hydrogen and which is powered by energy that comes exclusively from renewable sources."

107. Section 1 of the Regulation is amended

(1) in the first paragraph,

(*a*) by replacing "deliver" by ", by the operation of its natural gas distribution system or by a means provided for in section 79.1 of the Act respecting the Régie de l'énergie (chapter R-6.01), distribute";

(*b*) by inserting "minimum" before "quantity";

(2) in the second paragraph,

(*a*) by replacing "total of the distributor's actual natural gas deliveries to the major enterprise market and the small and medium flow market" in subparagraph 2 by "total actual volume of natural gas distributed by the distributor to the major enterprise market and the small and medium flow market";

(*b*) by replacing "total of the distributor's actual natural gas deliveries to the major enterprise market and the small and medium flow market" in subparagraph 3 by "total actual volume of natural gas distributed by the distributor to the major enterprise market and the small and medium flow market";

(*c*) by replacing "total of the distributor's estimated deliveries to the major enterprise market and the small and medium flow market" in subparagraph 4 by "total estimated volume to be distributed by the distributor to the major enterprise market and the small and medium flow market";

(3) by replacing "delivered", "the second paragraph", "deliveries" and "delivers" in the fourth paragraph by "distributed", "subparagraph 3 of the second paragraph", "volumes" and "distributes", respectively;

(4) by adding the following paragraph at the end:

"In addition, where the gas from renewable sources distributed by a distributor is biogas produced in accordance with subparagraph 2 of the second paragraph of section 0.1, only methane may be computed in the calculation of total volumes represented by the variables LRA3, LRA2 and LPA1, and in the calculation of the quantity of gas from renewable sources that the distributor distributes to meet its requirement provided for in this section."

REGULATION RESPECTING THE ANNUAL DUTY PAYABLE TO THE RÉGIE DE L'ÉNERGIE

108. Section 1 of the Regulation respecting the annual duty payable to the Régie de l'énergie (chapter R-6.01, r. 7) is amended by replacing "transmitted and the volumes delivered" in subparagraph 2 of the first paragraph by "distributed".

CHAPTER III

SPECIAL RULES APPLICABLE TO HYDRO-QUÉBEC

HYDRO-QUÉBEC ACT

109. Section 4 of the Hydro-Québec Act (chapter H-5) is amended by replacing "17 members, including the chair and the president and chief executive officer" in the first paragraph by "9 to 13 members, including the chair and the president and chief executive officer as well as the Deputy Minister of Economy, Innovation and Energy, who is a member of the board by virtue of office".

110. Section 15.1.2 of the Act is amended

(1) in the first paragraph,

(*a*) by inserting "and into the Fonds d'aide à la clientèle domestique d'Hydro-Québec, established under section 2 of the Act respecting a financial assistance program to limit the impact of Hydro-Québec electric power distribution rate increases on the domestic clientele and establishing the Fonds d'aide à la clientèle domestique d'Hydro-Québec (*insert the year and chapter number of this Act and the number of the section of this Act that enacts the Act respecting a financial assistance program to limit the impact of Hydro-Québec electric power distribution rate increases on the domestic clientele and establishing the Fonds d'aide à la clientèle domestique d'Hydro-Québec*)" after "(chapter P-30.1.1.)";

(*b*) by replacing "that Act" by "those Acts";

(2) by replacing "the application of the Act respecting the Financial Assistance for Investment Program and establishing the Special Contracts and Financial Assistance for Investment Fund" in the second paragraph by "the purposes of those Acts".

111. Section 22 of the Act is replaced by the following sections:

"**22.** The Company's mission is to act and innovate in the field of energy or in any related field, for instance with respect to research. It must ensure, in a sufficient, safe and reliable manner and at the lowest cost, that the electric power needs of Québec markets are met. The Company must ensure that it has the electric power supplies required to achieve the supply target established by the integrated energy resource management plan referred to in section 14.2 of the Act respecting the Ministère de l'Économie, de l'Innovation et de l'Énergie (chapter M-14.1) within the timeframe indicated in that plan.

The Company must also contribute to the energy transition, promote sound management of energy consumption and act in a manner that maximizes the economic, social and environmental benefits in Québec.

"**22.0.0.1.** The Company must ensure by any means the supplies required to meet the needs of Québec markets of 165 terawatt-hours of heritage pool electricity, including all necessary and generally recognized services for ensuring the security and reliability of those supplies. That volume excludes the terawatt-hours necessary for meeting urgent or short-term needs, those whose distribution may be interrupted at any time by the Company and those distributed by an independent electric power distribution system.

The portion of heritage pool electricity attributable to a class of heritage pool electricity consumers is obtained by dividing the total consumption attributable to a class of consumers concerned by the total consumption attributable to all classes of heritage pool electricity consumers.

The Government may determine the other characteristics of the heritage pool electricity supplies.

"**22.0.0.2.** The Government shall determine, for the purposes of a rate revision referred to in the first or third paragraph of section 48 of the Act respecting the Régie de l'énergie (chapter R-6.01), the cost of heritage pool electricity that must be recovered from the classes of heritage pool electricity consumers through the electricity distribution rates fixed by the Régie.

To that end, the Government shall

(1) determine the classes of consumers, including those under a special contract, for which it intends to determine the cost referred to in the first paragraph;

(2) increase, for each of the years covered by the previous rate revision, according to the rate, which may not be lower than zero, that corresponds to the annual change in the overall average Québec consumer price index for the 12-month period ending on 31 March of each of those years, the heritage pool electricity supply cost referred to in subparagraph 1 of the first paragraph of section 52.2, excluding the cost applicable to the class of special contracts; and

(3) take into account the evolution of the heritage pool electricity consumption attributed to each class of consumers, and the characteristics of each class, including, with regard to each class, the portion of electricity consumed by the consumers of the class in relation to the total electricity they could consume, and the losses attributable to the transmission and distribution of the electricity.

“**22.0.0.3.** The Company is required to supply electric power to the holders of exclusive electric power distribution rights referred to in the second paragraph of section 62 of the Act respecting the Régie de l’énergie (chapter R-6.01).”

112. Sections 22.0.1.1 and 22.0.1.2 of the Act are repealed.

113. Section 22.0.1.3 of the Act is amended by replacing “the application of the rate provided for in subparagraph *b* of subparagraph 2 of the fourth paragraph of section 22.0.1.1 for the adjustment of the prices of Rates D, DM, DN, DP, DT, Additional electricity–Photosynthesis or Space Heating to Raise Crops, Winter Credit Option–Rate D and Flex D, of the Dual-Energy Domestic Rate–Inukjuak System and of the Credit for supply applicable to domestic rates, compared to the rate provided for in subparagraph *a* of that subparagraph, for the adjustment of the prices of the electricity distribution rate at which that municipal system or the Coopérative purchases electricity from the Company” by “the payment of the price of a rate at which that municipal system or the Coopérative purchases electricity from the Company, compared to the rate at which the municipal system or the Coopérative can distribute it to a consumer”.

114. Sections 22.0.2 to 24 of the Act are replaced by the following section:

“**23.** The Régie shall fix, on an application by the Company, the rates and conditions of service for using a public fast-charging service for electric vehicles established by the Company to reflect the market rate for comparable services.”

115. Section 27.4 of the Act is amended by striking out the last sentence.

116. Section 29 of the Act is amended

(1) by replacing the second paragraph by the following paragraphs:

“The Company may, for such purposes,

(1) purchase, construct or lease any immovable or apparatus required; and

(2) purchase, lease, convey, alienate or encumber any movable property, subject to section 39 in the case of shares of a legal person or interests in a partnership.

For the purposes of subparagraph 1 of the second paragraph, the acquisition of an immovable, other than land, or construction of an immovable intended for the production of electric power by the Company must be authorized by the Government in the cases and under the conditions determined by the Government. The Company must also inform the Minister of any inventory, surveys, examinations, analyses or other preparatory work required for the purposes of such an acquisition or construction not later than 30 days before the proposed date on which such preparatory work is to begin.”

(2) by replacing the fourth paragraph by the following paragraph:

"The Company may lease any space in its immovables not required for its own purposes.";

(3) by striking out the sixth and seventh paragraphs;

(4) by inserting "any immovable in which it establishes offices where doing so does not compromise the pursuit of its operations" after "alienate" in the eighth paragraph;

(5) by inserting the following after the eighth paragraph:

"In addition, the Company may, with the authorization of the Government and on the conditions determined by the Government, alienate

(1) any immovable intended for the operation of hydroelectric works with a generating capacity of 100 megawatts or less provided by hydraulic power in the domain of the State; and

(2) any other immovable where the alienation is in favour of a legal person or partnership referred to in section 39 to the extent that the legal person or partnership is constituted in partnership with an Indigenous community or a municipality and where the Company acquires or holds, at all times, the shares of that person or interests in that partnership in accordance with subparagraphs 1 to 3 of the first paragraph of that section.

In the cases provided for in the seventh and eighth paragraphs, the Company may, in accordance with the fourth paragraph of section 2, subparagraph 2 of the second paragraph of section 3 and the first paragraph of section 3.1 of the Watercourses Act (chapter R-13), lease the hydraulic power in the domain of the State and the bed of the watercourses in the domain of the State to which that power is attached."

117. Section 30 of the Act is amended by replacing the second paragraph by the following paragraph:

"Any agent of the Company may, at any reasonable time, enter upon any immovable to carry out inventories, surveys, examinations, analyses or other preparatory work, to install and repair poles, conduits, wires or other apparatus required for electric power distribution, to clear away any vegetation from them and to do all other work required for those purposes, subject to compensating any damage which may be caused."

118. Section 32 of the Act is amended

(1) by replacing "The Minister of Natural Resources and Wildlife" by "The Minister, the minister responsible for the Act respecting lands in the domain of the State (chapter T-8.1)";

(2) by replacing “with the authorization of the Government and on the conditions it may fix” by “on the conditions the Minister determines”;

(3) by replacing “the objects” by “the mission”.

119. Section 39 of the Act is replaced by the following section:

“**39.** The Company must obtain the authorization of the Government to acquire or hold

(1) over 50% of the shares of another legal person or a sufficient percentage of them to elect the majority of the directors of the other legal person;

(2) interests in a limited partnership where the Company acquires or holds shares of the legal person that is the general partner in one of the proportions referred to in subparagraph 1; or

(3) interests in a partnership other than a general partnership where the Company can determine the outcome of collective decisions.

The first paragraph applies to any legal person or partnership whose shares or interests are acquired or held by the Company, with the necessary modifications.

The object of any legal person or partnership referred to in the second paragraph is limited to exercising activities the Company itself can exercise. Such a legal person or partnership has the same powers as the Company in exercising its activities and benefits from all the rights of the Company unless its constituting act withdraws or restricts those rights.

The second and third paragraphs do not apply to a legal person in which the Company holds shares on 26 April 1983.”

CHAPTER IV

PROVISIONS APPLICABLE TO WELL CLOSURE

ACT ENDING EXPLORATION FOR PETROLEUM AND UNDERGROUND RESERVOIRS AND PRODUCTION OF PETROLEUM AND BRINE

120. The Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine (chapter R-1.01) is amended by inserting the following section after section 18:

“**18.1.** Despite any obligation, term or condition determined under section 18, the Government may, on the joint recommendation of the Minister and the Minister of Sustainable Development, Environment and Parks, authorize, on the conditions it determines, a holder of a revoked licence to close a well where the holder has performed the work provided for in their permanent well closure and site restoration plan in order to comply with that obligation, term or condition and where the holder has sent to the Minister a report signed by an engineer confirming that the work has been performed and setting out or including

(1) the situation preventing the holder from complying with the obligation, term or condition, and the fact that the situation does not pose a risk for human health or safety, the safety of property or the protection of the environment;

(2) the possible corrective measures to correct the situation described in paragraph 1;

(3) an assessment of the technical and economic feasibility of those corrective measures and the risks associated with their implementation; and

(4) an opinion that implementation of the corrective measures cannot reasonably be expected to correct the situation described in paragraph 1, or could worsen it, taking into account, in particular, the assessment referred to in paragraph 3."

121. Section 25 of the Act is amended by inserting ", subject to the authorization issued under section 18.1," after "section 18" in subparagraph 1 of the first paragraph.

122. Sections 31 and 77 of the Act are amended by replacing all occurrences of "of Natural Resources and Wildlife" by "of Economy, Innovation and Energy".

ACT RESPECTING NATURAL GAS STORAGE AND NATURAL GAS AND OIL PIPELINES

123. The Act respecting natural gas storage and natural gas and oil pipelines (chapter S-34.1) is amended by inserting the following section after section 93:

"**93.1.** Despite any condition determined under the second paragraph of section 93, the Government may, on the joint recommendation of the Minister and the Minister of Sustainable Development, Environment and Parks, authorize, on the conditions it determines, a licence holder to close a well where the holder has performed the work provided for in their permanent well or reservoir closure and site restoration plan in order to comply with that condition and where the holder has sent to the Minister a report signed by an engineer confirming that the work has been performed and setting out or including

(1) the situation preventing the holder from complying with the obligation, term or condition, and the fact that the situation does not pose a risk for human health or safety, the safety of property or the protection of the environment;

(2) the possible corrective measures to correct the situation described in paragraph 1;

(3) an assessment of the technical and economic feasibility of those corrective measures and the risks associated with their implementation; and

(4) an opinion that the implementation of such corrective measures cannot reasonably be expected to correct the situation described in paragraph 1 or could worsen it, taking into account in particular the assessment referred to in paragraph 3."

124. Section 114 of the Act is amended by inserting ", subject to the authorization issued under section 93.1," after "approved by the Minister" in paragraph 1.

125. Sections 149 and 289 of the Act are amended by replacing "des Ressources naturelles et de la Faune" and "of Natural Resources and Wildlife" by "de l'Économie, de l'Innovation et de l'Énergie" and "of Economy, Innovation and Energy", respectively.

CHAPTER V

MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

126. The Minister of Economy, Innovation and Energy must, not later than 1 April 2026, submit to the Government for approval the first integrated energy resource management plan referred to in section 14.2 of the Act respecting the Ministère de l'Économie, de l'Innovation et de l'Énergie (chapter M-14.1), enacted by section 4 of this Act. Until the Government approves that first plan, the electric power supply target referred to in the third paragraph of that section 14.2 is set at 255 terawatt-hours for 1 January 2035.

127. The Regulation respecting the procedure for the recruitment and selection of persons declared or recognized as qualified to be appointed as commissioners of the Régie de l'énergie and for the renewal of their term of office (chapter R-6.01, r. 3.1) is deemed to have been enacted under section 8 of the Act respecting the Régie de l'énergie (chapter R-6.01), enacted by section 15 of this Act.

128. The procedure whereby the Régie de l'énergie fixes the rates set out in Schedule I to the Hydro-Québec Act (chapter H-5), begun under section 48.2 of the Act respecting the Régie de l'énergie, as it reads on (*insert the date preceding the date of assent to this Act*), continues in accordance with that section.

129. The Régie de l'énergie conducts the first rate review referred to in the first paragraph of section 48 of the Act respecting the Régie de l'énergie, enacted by section 27 of this Act,

(1) in the case of the Hydro-Québec electric power transmission system, before 15 December 2025 for rate years beginning on 1 January for the years 2026, 2027 and 2028; and

(2) in the case of the Hydro-Québec electric power distribution system, before 15 March 2026 for rate years beginning on 1 April for the years 2026, 2027 and 2028.

130. The Régie de l'énergie must, when it conducts the first rate review referred to in the first paragraph of section 48 of the Act respecting the Régie de l'énergie, enacted by section 29 of this Act, in the case of the Hydro-Québec electric power distribution system, fix

(1) one or more electric power distribution rates or conditions of service applicable from 1 April 2026 to the domestic clientele in such a manner as to promote the reduction of electric power consumption during peak periods and a rate or conditions of service for electric power distribution that are applicable to that clientele and that vary according to energy intensity; and

(2) electric power distribution conditions of service applicable from that date to a person for whom Hydro-Québec must obtain from the Minister of Economy, Innovation and Energy an authorization to distribute electric power referred to in section 76 of the Act respecting the Régie de l'énergie.

131. The Régie de l'énergie fixes the rates and conditions of service in accordance with the first paragraph of section 48.1 of the Act respecting the Régie de l'énergie, enacted by section 27 of this Act, as well as those referred to in section 52.5 of the Act respecting the Régie de l'énergie, enacted by section 36 of this Act, not later than

(1) in the case of Énergir, s.e.c., 15 September 2025 for the rates and conditions of service applicable from the rate year beginning on 1 October 2025; and

(2) in the case of Gazifère Inc., 15 December 2026 for the rates and conditions of service applicable from the rate year beginning on 1 January 2027.

For the purposes of subparagraph 1 of the first paragraph, the period referred to in the first paragraph of section 48.1 of the Act respecting the Régie de l'énergie, enacted by section 27 of this Act, may, at the request of Énergir, s.e.c., be for a duration of two years. In such a case, subparagraphs 1 and 2 of the first paragraph of that section 48.1 apply to the last rate year covered by that two-year period.

132. The rates of Intragaz, a limited partnership, fixed by the Régie de l'énergie in connection with its record R-4189-2022, are deemed to be fixed under section 52.7 of the Act respecting the Régie de l'énergie, enacted by section 36 of this Act.

133. Until the date of the coming into force of the first regulation made by the Régie de l’énergie under subparagraphs 7 and 8 of the first paragraph of section 114 of the Act respecting the Régie de l’énergie, enacted by subparagraph *b* of paragraph 1 of section 70 of this Act, the Regulation respecting the tenor of a supply plan and the intervals at which it is to be submitted (chapter R-6.01, r. 8) is deemed to have been enacted under subparagraphs 7 and 8 of the first paragraph of that section 114.

134. Despite the second paragraph of section 4 of the Regulation respecting the tenor of a supply plan and the intervals at which it is to be submitted, Hydro-Québec must, not later than 1 November 2025, submit a supply plan in accordance with section 5 of that regulation.

135. The holders of exclusive distribution rights named below must submit their first supply plan referred to in, as applicable, section 72 or 72.1 of the Act respecting the Régie de l’énergie, enacted by section 43 of this Act, on the following dates:

(1) in the case of Gazifère Inc., not later than 1 October 2026;

(2) in the case of Hydro-Québec, not later than 1 November 2026; and

(3) in the case of Énergir, s.e.c., not later than 1 April 2027.

136. For the purposes of subparagraph 1 of the first paragraph of section 52.2 of the Act respecting the Régie de l’énergie, enacted by section 33 of this Act, electric power supply contracts other than those referred to in the first sentence of the second paragraph of section 2 of that Act, as it reads on (*insert the date preceding the date of assent to this Act*), entered into under sections 74.1 to 74.3 of that Act, as they read before that date, are deemed to have been entered into with electric power suppliers under sections 74.1 and 74.2 of that Act, enacted by section 45 of this Act.

137. Any contract for the purchase of electric power entered into by Hydro-Québec as part of its electric power production activities before (*insert the date of assent to this Act*), to the extent that the contract is intended to meet the needs of Québec markets in excess of the heritage pool, is deemed to be an electric power supply contract referred to in subparagraph *a* of subparagraph 2 of the first paragraph of section 52.2 of the Act respecting the Régie de l’énergie, amended by section 33 of this Act.

138. Electric power supply contracts referred to in the first sentence of the second paragraph of section 2 of the Act respecting the Régie de l’énergie, as it reads on (*insert the date preceding the date of assent to this Act*), end on that date.

Any electric power supply provided for in a contract referred to in the first paragraph, to the extent that it is a supply of electric power produced from an immovable acquired, constructed or leased under subparagraph 1 of the second paragraph of section 29 of the Hydro-Québec Act, is deemed to be an electric power supply referred to in subparagraph *b* of subparagraph 2 of the first paragraph of section 52.2 of the Act respecting the Régie de l'énergie, amended by section 33 of this Act.

Despite that subparagraph 2, the cost of any electric power supply referred to in the second paragraph is the cost that was provided for in a contract referred to in the first paragraph, as the contract reads on (*insert the date preceding the date of assent to this Act*), for the unexpired portion of the contract.

139. Until the date of the coming into force of the first regulation made by the Régie de l'énergie under subparagraph 9 of the first paragraph of section 114 of the Act respecting the Régie de l'énergie, enacted by subparagraph *b* of paragraph 1 of section 70 of this Act, Hydro-Québec must apply to the Régie de l'énergie for the authorization provided for in the second paragraph of section 74.1 of the Act respecting the Régie de l'énergie, enacted by section 45 of this Act, for any electric power supply contract other than the one referred to in the third paragraph of that section 74.1.

140. The Transmission Provider Code of Conduct, approved by the Régie de l'énergie under Decision D-2023-064, is deemed to have been approved under section 85.1.3 of the Act respecting the Régie de l'énergie, enacted by section 58 of this Act.

141. The Regulation respecting the quantity of gas from renewable sources to be delivered by a distributor (chapter R-6.01, r. 4.3) is deemed to have been enacted under subparagraphs 4 and 5 of the first paragraph of section 112 of the Act respecting the Régie de l'énergie, amended by section 68 of this Act.

142. The Régie de l'énergie must, not later than (*insert the date that is six months after the date of assent to this Act*), make the following regulations:

(1) under subparagraph 7 of the first paragraph of section 114 of the Act respecting the Régie de l'énergie, amended by section 70 of this Act, a regulation respecting the tenor and intervals according to which a supply plan must be submitted to the Régie de l'énergie;

(2) under subparagraph 8 of the first paragraph of that section 114, a regulation respecting the cases in which and conditions on which a holder of exclusive electric power distribution rights other than Hydro-Québec is exempted from the requirement to submit a supply plan to the Régie for approval; and

(3) under subparagraph 9 of the first paragraph of that section 114, a regulation respecting the cases in which and conditions on which the electric power distributor must apply to the Régie de l'énergie for authorization of an electric power supply contract.

The Régie de l'énergie must also, not later than (*insert the date that is one year after the date of assent to this Act*), make the following regulations:

(1) under subparagraph 2 of the first paragraph of that section 114, a regulation respecting clearance of vegetation in order to maintain an electric power distribution system; and

(2) under subparagraph 6 of the first paragraph of that section 114, a regulation respecting the conditions on which and cases in which an operation referred to in section 73 requires an authorization.

143. Until the first order is passed by the Government under section 6.1 of the Act respecting the exportation of electric power (chapter E-23), Government authorization is required to allow Hydro-Québec to enter into, renew or extend a contract for the exportation of electric power that has one of the following characteristics:

(1) the contract is for a term of five years or more;

(2) the contract provides for the exportation of three terawatt-hours or more; or

(3) the contract provides for the exportation of 1,000 megawatts or more.

Contracts for the exportation of electric power entered into by Hydro-Québec before (*insert the date of assent to this Act*) are deemed to have been authorized by the Government under section 6.1 of the Act respecting the exportation of electric power.

144. The members of Hydro-Québec's board of directors in office on (*insert the date preceding the date of assent to this Act*) remain in office on the same conditions until their term expires, except the members determined by the Government, whose term of office expires on the date set by the Government.

145. Hydro-Québec must, not later than 31 March 2025, submit the variable pay policy referred to in section 7.3 of the Hydro-Québec Act to the Government for approval.

146. Orders in Council 1277-2001 (2001, G.O. 2, 7705, French only) and 1299-2001 (2001, G.O. 2, 7801, French only) are deemed to have been made, respectively, under the third paragraph of section 22.0.0.1 of the Hydro-Québec Act, enacted by section 111 of this Act, and the third paragraph of section 29 of that Act, amended by section 116 of this Act.

147. Until the coming into force of the first regulation made under subparagraph 2.1 of the first paragraph of section 112 of the Act respecting the Régie de l'énergie, enacted by section 68 of this Act, a holder of exclusive electric power distribution rights must apply for the authorization of the Minister of Economy, Innovation and Energy referred to in section 76 of the Act respecting the Régie de l'énergie, enacted by section 48 of this Act, to distribute electric power to any person who requests 5,000 kilowatts or more of power and with whom the holder did not enter into, before 2 December 2022, an agreement that provides for a financial commitment from the person making the request.

This section has effect despite the decisions of the Régie de l'énergie in files R-4057-2018 and R-4045-2018.

148. Any holder of exclusive electric power distribution rights who may distribute electric power to a person having made a request and with whom the holder entered into, before 2 December 2022, an agreement that provides for a financial commitment from the person having made the request, or any holder to whom the Minister of Economy, Innovation and Energy issued, before (*insert the date of assent to this Act*), the authorization referred to in the second paragraph of section 10 of the Act mainly to cap the indexation rate for Hydro-Québec domestic distribution rate prices and to further regulate the obligation to distribute electricity (2023, chapter 1), as it reads on (*insert the date preceding the date of assent to this Act*), must enter into an electric power distribution service contract to distribute electric power to the person having requested it not later than (*insert the date that is one year after the date of assent to this Act*). Otherwise, the authorization referred to in section 76 of the Act respecting the Régie de l'énergie, enacted by section 48 of this Act, is required.

149. The Minister of Economy, Innovation and Energy may, before 11 April 2026, attach conditions, in particular conditions relating to the economic benefits and social and environmental impacts of the use of electric power, to any authorization issued by the Minister under the second paragraph of section 10 of the Act mainly to cap the indexation rate for Hydro-Québec domestic distribution rate prices and to further regulate the obligation to distribute electricity.

150. Unless the context indicates otherwise or this Act provides otherwise, in any Act or regulation or in any other document,

(1) the expressions "Minister of Economy and Innovation", "Deputy Minister of the Ministère de l'Économie et de l'Innovation", "Deputy Minister of Economy and Innovation" and "Ministère de l'Économie et de l'Innovation" are replaced by "Minister of Economy, Innovation and Energy", "Deputy Minister of the Ministère de l'Économie, de l'Innovation et de l'Énergie", "Deputy Minister of Economy, Innovation and Energy" and "Ministère de l'Économie, de l'Innovation et de l'Énergie", respectively;

(2) a reference to the Act respecting the Ministère de l'Économie et de l'Innovation or any of its provisions is a reference to the Act respecting the Ministère de l'Économie, de l'Innovation et de l'Énergie or the corresponding provision of that Act.

151. The following provisions are amended by replacing "of Natural Resources and Wildlife" by "of Economy, Innovation and Energy":

(1) section 9 of the Act respecting the exportation of electric power;

(2) section 116 of the Petroleum Products Act (chapter P-30.01).

152. Until the Terms and conditions for the signing of certain deeds, documents and writings of the Ministère de l'Économie et de l'Innovation (chapter M-14.1, r. 2) are amended, the Regulation respecting the delegation of the exercise of powers relating to petroleum, natural gas, brine and underground reservoirs vested in the Minister of Natural Resources and Wildlife under the Mining Act (chapter M-13.1, r. 0.2) and the Regulation respecting the signing of certain deeds, documents and writings of the Ministère des Ressources naturelles et de la Faune (chapter M-25.2, r. 1) continue to apply to a member of the personnel or a holder of a position who exercises his or her functions in the energy sector of the Ministère de l'Économie et de l'Innovation.

153. The provisions of subparagraph 1 of the first paragraph of section 25, the first paragraph of section 48 and the fifth paragraph of section 49 of the Act respecting the Régie de l'énergie, enacted by paragraph 1 of section 22, section 27 and subparagraph 3 of section 28 of this Act, respectively, take effect on 1 January 2025 in the case of Hydro-Québec's electric power transmission system, and as of 1 April 2025 in the case of its electric power distribution system, to the extent that those provisions concern the rate review referred to in the first paragraph of section 48 of the Act respecting the Régie de l'énergie.

154. The provisions of subparagraph 1 of the first paragraph of section 25, the first paragraph of section 48.1 and the fifth paragraph of section 49 of the Act respecting the Régie de l'énergie, enacted by paragraph 1 of section 22, section 27 and subparagraph 3 of section 28 of this Act, respectively, take effect on 1 January 2026 with respect to Gazifère Inc., to the extent that those provisions concern the fixing of its rates or conditions of service referred to in section 48.1 of the Act respecting the Régie de l'énergie.

155. Until the date of coming into force of the first regulation made under subparagraph 7 of the first paragraph of section 114 of the Act respecting the Régie de l'énergie, enacted by subparagraph *b* of paragraph 1 of section 70 of this Act, the second paragraph of section 52.5 of the Act respecting the Régie de l'énergie, enacted by section 36 of this Act, is to be read as if "in the third paragraph of section 72.1" were replaced by "in section 72".

156. The Regulation respecting the rates for using the public fast-charging service for electric vehicles (chapter H-5, r. 1), as it reads on (*insert the date preceding the date of assent to this Act*), applies until the coming into force of the rates and conditions of service fixed by the Régie de l'énergie in accordance with section 23 of the Hydro-Québec Act, enacted by section 114 of this Act.

157. The provisions of this Act come into force on (*insert the date of assent to this Act*), except

(1) section 75, which comes into force on 1 April 2025;

(2) section 43, section 44 to the extent that it enacts subparagraph 3 of the third paragraph of section 73 of the Act respecting the Régie de l'énergie, section 46 to the extent that it enacts paragraph 4.1 of section 75 of the Act respecting the Régie de l'énergie, section 58 to the extent that it enacts section 85.1.1 of the Act respecting the Régie de l'énergie, subparagraph *b* of paragraph 1 of section 70 to the extent that it enacts subparagraphs 7 and 8 of the first paragraph of section 114 of the Act respecting the Régie de l'énergie, subparagraph 2 of section 71, subparagraph 4 of section 71 to the extent that it enacts subparagraph 7 of the second paragraph of section 116 of the Act respecting the Régie de l'énergie and to the extent that that subparagraph 7 concerns the first paragraph of section 85.1.1 of the Act respecting the Régie de l'énergie, and paragraph 2 of section 74, which come into force on the date of coming into force of the first regulation made under subparagraph 7 of the first paragraph of that section 114 of the Act respecting the Régie de l'énergie;

(3) section 44 to the extent that it enacts subparagraph 4 of the third paragraph of section 73 of the Act respecting the Régie de l'énergie, section 46 to the extent that it enacts paragraph 4.2 of section 75 of the Act respecting the Régie de l'énergie, section 58 to the extent that it enacts section 85.1.2 of the Act respecting the Régie de l'énergie, and subparagraph 4 of section 71 to the extent that it enacts subparagraph 7 of the second paragraph of section 116 of the Act respecting the Régie de l'énergie and to the extent that that subparagraph 7 concerns the first paragraph of section 85.1.2 of the Act respecting the Régie de l'énergie, which come into force on the date of coming into force of the first regulation made under subparagraph 10 of the first paragraph of that section 114 of the Act respecting the Régie de l'énergie;

(4) paragraph 2 of section 83, which comes into force on the date of coming into force of the first regulation made under the fourth paragraph of section 3 of the Watercourses Act (chapter R-13), enacted by that subparagraph 2.