

# FortisBC Inc. (FBC) Electricity Resource Planning Advisory Group (RPAG)

## **Terms of Reference (ToR) – Appendix B: Clean Energy Act (Bill 17 — 2010) Excerpts**

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In this document, FBC has reproduced sections of the Clean Energy Act that we believe are most relevant to the RPAG workshops. These sections are included only to provide additional context and should not be considered an exhaustive list of relevant sections as it may be found at a later date that other sections not named here also have some relevance for the LTERP.

The complete Act can be viewed on the BC Government web site here: [Clean Energy Act](https://www.leg.bc.ca/39th2nd/1st_read/gov17-1.htm)<sup>1</sup>. The complete act should be referred to prior to citing the act for any purpose other than general context for the RPAG.

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<sup>1</sup> [https://www.leg.bc.ca/39th2nd/1st\\_read/gov17-1.htm](https://www.leg.bc.ca/39th2nd/1st_read/gov17-1.htm)

## Definitions

### 1 (1) In this Act:

**"acquire"**, used in relation to the authority, means to enter into an energy supply contract;

**"authority"** has the same meaning as in section 1 of the *Hydro and Power Authority Act*;

**"British Columbia's energy objectives"** means the objectives set out in section 2;

**"Burrard Thermal"** means the gas-fired generation asset owned by the authority and located in Port Moody, British Columbia;

**"clean or renewable resource"** means biomass, biogas, geothermal heat, hydro, solar, ocean, wind or any other prescribed resource;

**"demand-side measure"** means a rate, measure, action or program undertaken

(a) to conserve energy or promote energy efficiency,

(b) to reduce the energy demand a public utility must serve, or

(c) to shift the use of energy to periods of lower demand,

but does not include

(d) a rate, measure, action or program the main purpose of which is to encourage a switch from the use of one kind of energy to another such that the switch would increase greenhouse gas emissions in British Columbia, or

(e) any rate, measure, action or program prescribed;

**"electricity self-sufficiency"** means electricity self-sufficiency as described in section 6 (2);

**"expenditure for export"** means the amount of an expenditure for the construction or extension of a plant or system or for an acquisition of electricity that is in addition to the amount the authority would have had to spend

(a) to achieve electricity self-sufficiency, and

(b) to undertake anything referred to in section 7 (1), except to the extent the expenditure is accounted for in paragraph (a);

**"feed-in tariff program"** means a program, that may be established under section 16, under which the authority offers to enter into energy supply contracts with persons generating electricity from clean or renewable resources using prescribed technologies in prescribed regions of British Columbia;

**"greenhouse gas"** has the same meaning as in section 1 of the *Greenhouse Gas Reduction Targets Act*;

**"heritage assets"** means

(a) any equipment or facilities for the transmission or distribution of electricity in respect of which, on the date on which this Act receives First Reading in the Legislative Assembly, a certificate of public convenience and necessity has been granted, or has been deemed to have been granted, to the authority or the transmission corporation under the *Utilities Commission Act*,

(b) generation and storage assets identified in Schedule 1 of this Act, and

(c) equipment and facilities that are for the transmission or distribution of electricity and that are identified in Schedule 1 of this Act;

**"integrated resource plan"** means an integrated resource plan required to be submitted under section 3;

**"transmission corporation"** means British Columbia Transmission Corporation.

(2) Words and expressions used but not defined in this Act or the regulations, unless the context otherwise requires, have the same meanings as in the *Utilities Commission Act*.

## **British Columbia's energy objectives**

**2** The following comprise British Columbia's energy objectives:

- (a) to achieve electricity self-sufficiency;
- (b) to take demand-side measures and to conserve energy, including the objective of the authority reducing its expected increase in demand for electricity by the year 2020 by at least 66%;
- (c) to generate at least 93% of the electricity in British Columbia from clean or renewable resources and to build the infrastructure necessary to transmit that electricity;
- (d) to use and foster the development in British Columbia of innovative technologies that support energy conservation and efficiency and the use of clean or renewable resources;
- (e) to ensure the authority's ratepayers receive the benefits of the heritage assets and to ensure the benefits of the heritage contract under the *BC Hydro Public Power Legacy and Heritage Contract Act* continue to accrue to the authority's ratepayers;
- (f) to ensure the authority's rates remain among the most competitive of rates charged by public utilities in North America;
- (g) to reduce BC greenhouse gas emissions
  - (i) by 2012 and for each subsequent calendar year to at least 6% less than the level of those emissions in 2007,
  - (ii) by 2016 and for each subsequent calendar year to at least 18% less than the level of those emissions in 2007,
  - (iii) by 2020 and for each subsequent calendar year to at least 33% less than the level of those emissions in 2007,

(iv) by 2050 and for each subsequent calendar year to at least 80% less than the level of those emissions in 2007, and

(v) by such other amounts as determined under the *Greenhouse Gas Reduction Targets Act*;

(h) to encourage the switching from one kind of energy source or use to another that decreases greenhouse gas emissions in British Columbia;

(i) to encourage communities to reduce greenhouse gas emissions and use energy efficiently;

(j) to reduce waste by encouraging the use of waste heat, biogas and biomass;

(k) to encourage economic development and the creation and retention of jobs;

(l) to foster the development of first nation and rural communities through the use and development of clean or renewable resources;

(m) to maximize the value, including the incremental value of the resources being clean or renewable resources, of British Columbia's generation and transmission assets for the benefit of British Columbia;

(n) to be a net exporter of electricity from clean or renewable resources with the intention of benefiting all British Columbians and reducing greenhouse gas emissions in regions in which British Columbia trades electricity while protecting the interests of persons who receive or may receive service in British Columbia;

(o) to achieve British Columbia's energy objectives without the use of nuclear power;

(p) to ensure the commission, under the *Utilities Commission Act*, continues to regulate the authority with

respect to domestic rates but not with respect to expenditures for export, except as provided by this Act.

## **Electricity self-sufficiency**

6 (1) In this section:

**"electricity supply obligations"** means

(a) electricity supply obligations for which rates are filed with the commission under section 61 of the *Utilities Commission Act*, and

(b) any other electricity supply obligations that exist at the time this section comes into force,

determined by using the authority's prescribed forecasts of its energy requirements and peak load, taking into account demand-side measures, that are in an integrated resource plan approved under section 4;

**"heritage energy capability"** means the maximum amount of annual energy that the heritage assets that are hydroelectric facilities can produce under prescribed water conditions.

(2) The authority must achieve electricity self-sufficiency by holding,

(a) by the year 2016 and each year after that, the rights to an amount of electricity that meets the electricity supply obligations, and

(b) by the year 2020 and each year after that, the rights to 3 000 gigawatt hours of energy, in addition to the amount of electricity referred to in paragraph (a), and the capacity required to integrate that energy

solely from electricity generating facilities within the Province,

(c) assuming no more in each year than the heritage energy capability, and

(d) relying on Burrard Thermal for no energy and no capacity, except as authorized by regulation.

(3) The authority must remain capable of meeting its electricity supply obligations from the electricity referred to in subsection (2) (a) and (b), except to the extent the authority may be permitted, by regulation, to enter into contracts in the prescribed circumstances and on the prescribed terms and conditions.

(4) A public utility, in planning in accordance with section 44.1 of the *Utilities Commission Act* for

(a) the construction or extension of generation facilities,  
and

(b) energy purchases,

must consider British Columbia's energy objective to achieve electricity self-sufficiency.

### **Clean or renewable resources**

**19** (1) To facilitate the achievement of British Columbia's energy objective set out in section 2 (c), a person to whom this subsection applies

(a) must pursue actions to meet the prescribed targets in relation to clean or renewable resources, and

(b) must use the prescribed guidelines in planning for

(i) the construction or extension of generation facilities, and

(ii) energy purchases.

(2) Subsection (1) applies to

(a) the authority, and

(b) a prescribed public utility, if any, and a public utility in a class of prescribed public utilities, if any.