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REG2017.0128.e
6-RA

ONTARIO REGULATION

made under the

ELECTRICITY ACT, 1998

Amending O. Reg. 429/04

(ADJUSTMENTS UNDER SECTION 25.33 OF THE ACT)

1. (1) Section 6.1.1 of Ontario Regulation 429/04 is amended by adding the following subsection:

(1.2) A consumer in Ontario that does not satisfy the condition set out in clause 6.1 (2) (a) in respect of a load facility for an adjustment period that begins on or after July 1, 2017 (the “applicable adjustment period”) is a Class A consumer for that load facility and adjustment period, if the following conditions are satisfied:

1. The consumer elects, under subsection (3), to be a Class A consumer for the load facility for the applicable adjustment period, or has made such an election for a prior adjustment period and the election has not been revoked.
2. Throughout the applicable base period, the load facility is identified by a NAICS code commencing with the digits “31”, “32”, “33” or “1114”.
3. The conditions set out in paragraphs 1, 2 and 4 of subsection 6 (1) are satisfied for the load facility for the applicable adjustment period.
4. The consumer’s maximum hourly demand for electricity for the load facility in a month from the licensed distributor exceeds an average of 500 kilowatts but is less than or equal to an average of 1 megawatt for the applicable base period.

(2) Subsection 6.1.1 (4) of the Regulation is amended by adding the following paragraph:

4. For a consumer to whom subsection (1.2) applies, during the applicable base period for the applicable adjustment period, the load facility ceases to be identified by a NAICS code described in paragraph 2 of that subsection.

2. The Regulation is amended by adding the following sections:

Former Class A consumers, continued status

6.2 (1) A consumer in Ontario that does not satisfy the condition set out in paragraph 3 of subsection 6 (1) for an adjustment period under this Part that begins on or after July 1, 2017 (the “applicable adjustment period”) is a Class A consumer for that adjustment period if the following conditions are satisfied:

1. The conditions set out in paragraphs 1, 2 and 4 of subsection 6 (1) are satisfied for the applicable adjustment period.
2. The consumer was a Class A consumer for a previous adjustment period that began on or after July 1, 2016.
3. During the base period for any adjustment period that began on or after July 1, 2016 in which the consumer was a Class A consumer,
 - i. the consumer entered into a contract with the IESO, with a licensed distributor, or with the Ontario Climate Change Solutions Deployment Corporation, to participate in an eligible program, pilot or project listed in subsection (3) offered by the IESO, the licensed distributor or the Ontario Climate Change Solutions Deployment Corporation, or any combination of them, and
 - ii. the consumer has received, or is entitled to receive, funding or another incentive under the program, pilot or project.
4. The consumer gives its licensed distributor the information requested by the licensed distributor to establish that the consumer satisfies the conditions described in paragraph 3 on or before June 15 of the calendar year in which the adjustment period begins.

(2) Subsections 6 (2) and (3) apply, with necessary modifications, with respect to the consumer.

(3) The eligible programs, pilots and projects for the purposes of paragraph 3 of subsection (1) are the following:

1. Conservation and Demand Management (CDM) Programs and Pilots delivered under the 2015 to 2020 Conservation First Framework, administered by the IESO, established or included under a direction of the Minister, dated March 31, 2014, entitled “2015-2020 Conservation First Framework” and other programs and pilots under initiatives of the IESO established or included under that direction.
2. CDM Programs and Pilots under the 2015 to 2020 Industrial Accelerator Program, administered by the IESO, established under a direction of the Minister dated July 25, 2014 entitled “Industrial Accelerator Program”.
3. IESO Demand Response Auctions and Pilots, established under the market rules.
4. Ontario Climate Change Solutions Deployment Corporation programs and initiatives established by the Corporation, where the program or initiative includes an electricity conservation, efficiency, load-management or demand-management component.

(4) A licensed distributor shall rely on the information provided by the consumer under this section.

Former Class A consumer, continued status — calculation for separate load facilities

6.3 (1) For the purpose of subsection 6.2 (1), a consumer in Ontario that does not satisfy the condition set out in clause 6.1 (2) (a) in respect of a load facility for an adjustment period under this Part that begins on or after July 1, 2017 (the “applicable adjustment period”) is a Class A consumer for that load facility and adjustment period if the following conditions are satisfied:

1. The consumer was a Class A consumer in respect of the load facility for a previous adjustment period that began on or after July 1, 2016.
2. During the base period for any adjustment period that began on or after July 1, 2016 in which the consumer was a Class A consumer in respect of the load facility,
 - i. the consumer entered into a contract with the IESO, with a licensed distributor, or with the Ontario Climate Change Solutions Deployment Corporation, to participate in an eligible program, pilot or project listed in subsection 6.2 (3) offered by the IESO, the licensed distributor or the Ontario Climate Change Solutions Deployment Corporation, or any combination of them, and
 - ii. the consumer received, or is entitled to receive, funding or another incentive under the program, pilot or project in respect of the load facility.
3. The consumer gives its licensed distributor the information requested by the licensed distributor to establish that the consumer satisfies the conditions described in

paragraph 2 on or before June 15 of the calendar year in which the adjustment period begins.

(2) If the conditions set out in subsection (1) are not satisfied in respect of a load facility for the applicable adjustment period, the consumer is a Class B consumer in respect of the load facility for that adjustment period.

(3) Subsections 6.1 (3), (4) and (5) apply, with necessary modifications, with respect to the consumer and the load facility.

(4) A licensed distributor shall rely on the information provided by the consumer under this section.

3. (1) Section 7.1.1 of the Regulation is amended by adding the following subsection:

(1.2) A market participant in Ontario that does not satisfy the condition set out in clause 7.1 (2) (a) in respect of a load facility for an adjustment period that begins on or after July 1, 2017 (the “applicable adjustment period”) is a Class A market participant for that load facility and adjustment period, if the following conditions are satisfied:

1. The market participant elects, under subsection (3), to be a Class A market participant for the load facility for the applicable adjustment period, or has made such an election for a prior adjustment period and the election has not been revoked.
2. Throughout the applicable base period, the load facility is identified by a NAICS code commencing with the digits “31”, “32”, “33” or “1114”.
3. The conditions set out in paragraphs 1, 2 and 4 of subsection 7 (1) are satisfied for the load facility for the applicable adjustment period.
4. The market participant’s maximum hourly demand for electricity for the load facility in a month, as determined by the IESO, exceeds an average of 500 kilowatts but is less than or equal to an average of 1 megawatt for the applicable base period.

(2) Subsection 7.1.1 (4) of the Regulation is amended by adding the following paragraph:

4. For a market participant to whom subsection (1.2) applies, during the applicable base period for the applicable adjustment period, the load facility ceases to be identified by a NAICS code described in paragraph 2 of that subsection.

4. The Regulation is amended by adding the following sections:

Former Class A market participants, continued status

7.2 (1) A market participant in Ontario that does not satisfy the condition set out in paragraph 3 of subsection 7 (1) for an adjustment period under this Part that begins on or after July 1, 2017 (the “applicable adjustment period”) is a Class A market participant for that adjustment period if the following conditions are satisfied:

1. The conditions set out in paragraphs 1, 2 and 4 of subsection 7 (1) are satisfied for the applicable adjustment period.
2. The market participant was a Class A market participant for a previous adjustment period that began on or after July 1, 2016.
3. During the base period for any adjustment period that began on or after July 1, 2016 in which the market participant was a Class A market participant,
 - i. the market participant entered into a contract with the IESO, with a licensed distributor, or with the Ontario Climate Change Solutions Deployment Corporation, to participate in an eligible program, pilot or project listed in subsection (3) offered by the IESO, the licensed distributor, the Ontario Climate Change Solutions Deployment Corporation or any combination of them, and
 - ii. the market participant has received, or is entitled to receive, funding or another incentive under the program, pilot or project.
4. The market participant gives the IESO the information requested by the IESO to establish that the market participant satisfies the conditions described in paragraph 3 on or before June 15 of the calendar year in which the adjustment period begins.

(2) Subsections 7 (2) and (4) apply, with necessary modifications, with respect to the market participant.

(3) The eligible programs, pilots and projects for the purposes of paragraph 3 of subsection (1) are the following:

1. Conservation and Demand Management (CDM) Programs and Pilots delivered under the 2015 to 2020 Conservation First Framework, administered by the IESO, established or included under a direction of the Minister, dated March 31, 2014, entitled “2015-2020 Conservation First Framework” and other programs and pilots under initiatives of the IESO established or included under that direction.
2. CDM Programs and Pilots under the 2015 to 2020 Industrial Accelerator Program, administered by the IESO, established under a direction of the Minister dated July 25, 2014 entitled “Industrial Accelerator Program”.

3. IESO Demand Response Auctions and Pilots, established under the market rules.
4. Ontario Climate Change Solutions Deployment Corporation programs and initiatives established by the Corporation, where the program or initiative includes an electricity conservation, efficiency, load-management or demand-management component.

(4) The IESO shall rely on the information provided by the market participant under this section.

Former Class A market participant, continued status — calculation for separate load facilities

7.3 (1) For the purpose of subsection 7.2 (1), a market participant in Ontario that does not satisfy the condition set out in clause 7.1 (2) (a) in respect of a load facility for an adjustment period under this Part that begins on or after July 1, 2017 (the “applicable adjustment period”) is a Class A market participant for that load facility and adjustment period if the following conditions are satisfied:

1. The market participant was a Class A market participant in respect of the load facility for a previous adjustment period that began on or after July 1, 2016.
2. During the base period for any previous adjustment period that began on or after July 1, 2016 in which the market participant was a Class A market participant in respect of the load facility,
 - i. the market participant entered into a contract with the IESO, with a licensed distributor, or with the Ontario Climate Change Solutions Deployment Corporation, to participate in an eligible program listed in subsection 7.2 (3) offered by the IESO, the licensed distributor, the Ontario Climate Change Solutions Deployment Corporation or any combination of them, and
 - ii. the market participant has received, or is entitled to receive, funding or another incentive under the program, pilot or project in respect of the load facility.
3. The market participant gives the IESO the information requested by the IESO to establish that the market participant satisfies the conditions described in paragraph 2 on or before June 15 in the calendar year in which the adjustment period begins.

(2) If the conditions set out in subsection (1) are not satisfied in respect of a load facility for the applicable adjustment period, the market participant is a Class B market participant in respect of the load facility for that adjustment period.

(3) Subsections 7.1 (3), (4) and (5) apply, with necessary modifications, with respect to the market participant and the load facility.

(4) The IESO shall rely on the information provided by the market participant under this section.

O. Reg. 366/16

5. Section 1 of Ontario Regulation 366/16, which would revoke the definition of “NAICS” in subsection 5 (1) of the Regulation, is revoked.

Commencement

6. This Regulation comes into force on the day it is filed.