

Roles and Responsibilities of the Minister

1. KEY ROLES AND RESPONSIBILITIES

This section outlines key statutes which are administered by the Minister of Energy.

A. *Ministry of Energy Act, 2011*

The Act outlines the duties of the Minister of Energy or, subject to the Minister's direction and control, the Deputy Minister of Energy. These include reviewing energy matters on a continuing basis in relation to the energy needs of the province, advising and assisting the Government of Ontario on all energy matters both internally and in dealings with other governments. In addition, the Act authorizes the Minister to delegate his or her responsibilities to the Deputy Minister or to any public servant in the Ministry, and authorizes the Lieutenant Governor in Council (LGIC) or the Minister to establish advisory committees related to the Minister's duties.

B. *Electricity Act, 1998*

This Act sets out the regulatory framework for the electricity industry in Ontario, including the five electricity "agencies" (Ontario Power Generation Inc., Hydro One Inc., the Independent Electricity System Operator (IESO), the Electrical Safety Authority, and the Ontario Electricity Financial Corporation), electricity generators, transmitters and distributors. The Act includes provisions for the regulation of the electricity market, electricity planning, conservation, reliability, economic efficiency and sustainability, promotion of cleaner electricity sources, and protection of electricity consumers with respect to prices and the adequacy, reliability and quality of electricity service.

The Act contains provisions dealing with the electricity market, the structure of the electricity industry and governance of local electrical distributors.

Finally the Act allows the Minister, with approval of LGIC to issue directives to the IESO related to long-term energy planning and to energy procurements. The Act also allows the Minister to establish an advisory committee to provide advice to the Minister on matters related to electricity.

C. *Energy Consumer Protection Act, 2011*

The ECPA provides protection for energy consumers and allows for greater energy conservation through suite metering. Specifically, the legislation aims to protect consumers from hidden contract costs, excessive cancellation fees, "negative-option" contract renewals, and other unfair industry practices. It also provides greater fairness and transparency for consumers through rate comparisons, plain language contract disclosure, and enhanced rights to cancel contracts. This Act allows the Minister to disseminate information for the purposes of educating and advising energy consumers, and informing them of alternative dispute resolution techniques as a means of resolving disputes arising out of energy contract. The provisions also enable individual suite metering in apartment buildings, which gives tenants more control over energy costs.

D. *Green Energy Act, 2009*

The *Green Energy Act, 2009* sets out guiding principles for the Government of Ontario in constructing, acquiring, operating and managing government facilities. These principles include reporting on energy use and greenhouse gas emissions, ensuring energy efficiency in the planning and design of government facilities, making environmentally and financially responsible investments in government facilities and using renewable energy sources to provide energy for government facilities. This Act establishes the Renewable Energy Facilitation Office and sets out the objects of the Office. This Act also allows the Minister, with the approval of the LGIC, to issue directives relating to environmental standards. This Act also allows for regulations that place restrictions on the sale or lease of regulated appliances or products that do not meet prescribed efficiency standards or requirements. Finally the Act allows the Minister to enter into agreements necessary to promote energy conservation and energy efficiency.

E. *Hydro One Inc. Directors and Officers Act, 2002*

The Act was designed to address specific governance issues including remuneration of directors and officers. It affects the established governance structure of the corporation itself, as well as its subsidiaries, by providing for matters relating to the termination, appointment, term of office and payment of the then sitting board of directors and the appointment of a new replacement board of directors. This Act allows the Minister to request such information or reports as the Minister considers appropriate from Hydro One Inc., or any of its subsidiaries.

NOTE: This Act is to be repealed on a date to be proclaimed by the LGIC. The Proclamation Date has not yet been determined.

F. *Ontario Clean Energy Benefit Act, 2010*

The purpose of the *Ontario Clean Energy Benefit Act, 2010* was to provide financial assistance in respect of electricity costs. The Act implemented the Ontario Clean Energy Benefit for certain eligible Ontario residential, farm and small business electricity consumers. Under the Act, eligible consumers were entitled to receive a 10 per cent credit, after tax, against their electricity costs for each billing period from 2011 up to the end of 2015.

NOTE: This Act is to be repealed on a date to be proclaimed by the LGIC. The Proclamation Date has not yet been determined.

G. *Ontario Energy Board Act, 1998*

The *Ontario Energy Board Act, 1998* sets out the mandate, governance structure, and responsibilities of the Ontario Energy Board (OEB). The Act provides for a management committee of the OEB composed of the chair and the vice-chairs whose duties are to manage the activities of the OEB. Under this Act, every three years, the Board and the Minister must enter into a memorandum of understanding setting out specified content.

Under this Act, the OEB is required to implement policy directives as issued by the Minister, and approved by the LGIC. This Act also allows the Minister to issue directives, approved by the LGIC, relating to the marketing of gas, the retailing of electricity in Ontario, and the Government of Ontario's smart metering initiative. The Act provides the OEB with powers and responsibilities in relation to gas transmitters, distributors and marketers as well as the regulation of electricity market participants. This includes the authority to make orders approving rates for the transmission, distribution, storage and sale of gas and electricity. The provisions specify market activities that require a license to operate.

H. *Ontario Fair Hydro Plan Act, 2017*

The purpose of the *Ontario Fair Hydro Plan Act, 2017* is to ensure that clean energy costs and clean energy benefits are fairly allocated among present and future specified consumers, to recognize that clean energy benefits have accrued and will accrue over time and will continue to benefit present and future electricity consumers in the Province, and to align clean energy costs with clean energy benefits. Pursuant to the Act, the Minister must calculate a "fair allocation amount" by taking specified steps.

I. *Ontario Rebate for Electricity Consumers Act, 2016*

This Act entitles consumers with eligible accounts during a billing period to receive financial assistance in respect of the cost of electricity during the billing period in an amount equal to 8% of the base invoice amount for that period. The Act sets out how the financial assistance is to be paid.

This Act requires electricity vendors who issue invoices for a billing period to consumers in respect of eligible accounts to clearly show a credit equal to the amount of the financial assistance and the net amount of the invoice after the credit. In addition, this Act allows the Minister of Energy to make regulations prescribing information that must or may be included on, or accompany invoices issued to consumers or payments of financial assistance under this Act, governing the presentation of financial assistance under this Act on invoices issued to consumers, or prescribing anything that's referred to in section 4 as being prescribed by the regulations. This Act permits the Minister to authorize any person to make inquiries, as considered necessary, for any purpose related to the administration of this Act.

J. *Power Corporation Act*

The Act dates from 1974 and organized the electricity system under a Crown corporation (Ontario Hydro). Almost all sections of this Act were repealed in 1998 (through the *Energy Competition Act, 1998*). The remaining provisions authorize the Corporation to create rules relating to its pension plan including payments to employees who elect not to be a member of the plan; the calculation of payments; the insurance of members; and the determination of payments upon retirement, termination, disability or death. The Act also authorizes the Corporation to participate in programs related to economic development where such programs are prescribed by regulation.

K. *Toronto District Heating Corporation Act, 1998*

The Act amends the *Toronto District Heating Corporation Act, 1980* by restructuring that corporation from a non-share capital to a share capital corporation. The shareholders are the Province of Ontario, the City of Toronto, the Governing Council of the University of Toronto and several hospitals named in the Act. One of the main objectives of the legislation is the provision of steam to a number of downtown Toronto hospitals (shareholders) on a priority basis relative to other potential consumers of steam. The Act also allows the corporation to set rates for steam supplied to customers, subject to appeal to the Ontario Energy Board.

2. STATUTORY

Under the *Electricity Act, 1998*, the *Green Energy Act, 2009*, and the *Ontario Energy Board Act, 1998*, the Minister of Energy may issue directives, subject to the approval of the LGIC, in relation to certain matters.

3. DELEGATIONS

Pursuant to section 3 of the *Ministry of Energy Act, 2011* the Minister of Energy presides over a ministry known as the Ministry of Energy. Section 11 of the *Ministry of Energy Act, 2011* provides that where under the Act or any other Act, responsibility or authority is granted or vested in the Minister, the Minister may in writing delegate that responsibility or authority to the Deputy Minister or to any public servant who works in the Minister, subject to the terms and conditions that the Minister sets out in the delegation. This section also provides that where the Minister considers it appropriate to do so, the Minister shall take steps that the Minister considers appropriate to ensure that the delegation is readily available to the public.

The authority to make decisions regarding the management of a program also comes from provisions of such legislation as the *Financial Administration Act*, *Executive Council Act*, *Ministry of Energy Act, 2011*, the Directives and Guidelines of the Management Board of Cabinet and the Ministry of Finance and Ministry policy and procedures.

4. KEY APPOINTMENTS

This section outlines some key legislative appointments which are made by the Minister of Energy.

a) Ministry of Energy Act, 2011

- The LGIC or the Minister may establish advisory committees to advise the Minister on the exercise of his or her authority and performance of his or her duties, functions and responsibilities, appoint the members of the committees, and designate one member as chair and one or more members as vice-chair; and determine the terms of reference of the committees (s. 12(1)).

b) Electricity Act, 1998

- The Minister shall establish an advisory committee to provide advice to the Minister on such matters relating to electricity as the Minister may specify and appoint the members of the advisory committee (s. 3.1(1) & (2)).
- The IESO's board of directors shall manage and supervise the management of the IESO's business and affairs. The board of directors shall be composed of the chief executive officer of the IESO and at least eight and not more than 10 additional individuals appointed by the Minister (s. 10(1) & (2)).

c) Ontario Fair Hydro Plan Act, 2017

- Ontario Power Generation Inc. is appointed as the Financial Services Manager for the purposes of this Act, unless it is unable or unwilling to do so, in which case the Minister may appoint a different Financial Services Manager in accordance with the regulations (s. 18).

d) *Ontario Rebate for Energy Consumers Act, 2016*

- The Minister may appoint one or more inspectors who are authorized to exercise any of the powers and perform any of the duties of a person authorized by the Minister under subsection 31 (1) of the *Retail Sales Tax Act* for any purpose related to the administration and enforcement of this Act (s. 9(1)).

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