

**CURRENT TO ONTARIO GAZETTE MAY 10, 2003**

SO 1998 c15 SchB s70

[eff June 27, 2002 to]

S.O. 1998, c. 15, Schedule B

Ontario Energy Board Act, 1998

**PART V  
REGULATION OF ELECTRICITY**

**SECTION 70**

*Conditions*

70. (1) A licence under this Part may prescribe the conditions under which a person may engage in an activity set out in section 57 and a licence may also contain such other conditions as are appropriate having regard to the objectives of the Board and the purposes of the Electricity Act, 1998. SO. 1998, c. 15, Sched. B, s. 700), in force November 7, 1998 (0. Gaz. 1998 p. 2217).

*Examples of conditions*

- (2) The conditions of a licence may include provisions,
  - (a) specifying the period of time during which the licence will be in effect;
  - (b) requiring the licensee to provide, in the manner and form determined by the Board, such information as the Board may require;
  - (c) requiring the licensee to enter into agreements with other persons on specified terms (including terms for a specified duration) approved by the Board relating to its trading or operations or for the connection to or use of any lines or plant owned or operated by the licensee or the other party to the agreement;
  - (d) requiring the licensee to observe, with such modifications or exemptions as may be approved by the Board, specified technical rules, operating procedures and codes, including codes governing the conduct of,
    - (i) a transmitter or distributor as that conduct relates to its affiliates;
    - (ii) a distributor as that conduct relates to a retailer;
    - (iii) a retailer; and

- (iv) a generator, retailer or person licensed to engage in an activity described in clause 57(1) or an affiliate of that person as that conduct relates to the abuse or possible abuse of market power;

QUICKLAW

- (e) specifying methods or techniques to be applied in determining the licensee's rates;
- (f) requiring the licensee to maintain specified accounting records, prepare accounts according to specified principles and maintain organizational units or separate accounts for separate businesses in order to prohibit subsidies between separate businesses;
- (g) specifying performance standards, targets and criteria;
- (h) specifying connection or retailing obligations to enable reasonable demands for electricity to be met;
- (i) specifying information reporting requirements relating to the source of electricity and emissions caused by the generation of electricity;
- (j) requiring the licensee to expand or reinforce its transmission or distribution system in accordance with market rules in such a manner as the IMO or the Board may determine;
- (k) requiring the licensee to enter into an agreement with the IMO that gives the IMO the authority to direct operations of the licensee's transmission system. S.O. 1998, c. 15, Sched. B, s. 70(2), in force November 7, 1998 (O. Gaz. 1998 p. 2217).

*Where no agreement*

(3) If the parties to an agreement under clause (2)(k) cannot agree on a proposed amendment to the agreement, the parties may jointly apply to the Board for a resolution of the matter. S.O. 1998, c. 15, Sched. B, s. 70(3), in force November 7, 1998 (O. Gaz. 1998 p. 2217).

*Market rules*

(4) Every licence shall be deemed to contain a condition that the licensee comply with the market rules that apply to that licensee. S.O. 1998, c. 15, Sched. B, s. 70(4), in force November 7, 1998 (O. Gaz. 1998 p. 2217).

*Abuse of market power*

(5) Without limiting the generality of subsection (1), a licence to engage in an activity described in clause 57(c), (d) or (f) may contain conditions to address the abuse or possible abuse of market power, including conditions,

- (a) establishing minimum and maximum prices or a range of prices at which electricity may be offered for sale or sold through the IMO-administered markets or directly to another person or class of persons;
- (b) restricting the duration of contracts between licensees and any other person; and
- (c) restricting significant investment in or acquisition of generation facilities located in Ontario.

QUICKLAW

S.O. 1998, c. 15, Sched. B, s. 70(5), in force November 7, 1998 (0. Gaz. 1998 p. 2217).

*Non-exclusive*

(6) Unless it provides otherwise, a licence under this Part shall not hinder or restrict the grant of a licence to another person within the same area and the licensee shall not claim any right of exclusivity. SO. 1998, c. 15, Sched. B, s. 70(6), in force November 7, 1998 (0. Gaz. 1998 p. 2217).

*Transfer by certain distributors*

(7) Despite subsection 18(2), a licence issued to a distributor which is a public utility commission or a municipal corporation may provide that it is transferable by a transfer by-law under section 145 of the Electricity Act, 1998 to a corporation incorporated pursuant to section 142 of the Electricity Act, 1998. S.O. 1998, c. 15, Sched. B, s. 70(7), in force November 7, 1998 (0. Gaz. 1998 p. 2217).

*Additional conditions*

(8) A licence issued to a distributor which is a public utility commission or a municipal corporation may, in addition to the conditions which apply to that commission or municipal corporation, set out conditions which will apply to a corporation incorporated pursuant to section 142 of the Electricity Act, 1998 once a transfer to that corporation under section 145 of the Electricity Act, 1998 takes effect or is deemed to take effect. S.O. 1998, c. 15, Sched. B, s. 70(8), in force November 7, 1998 (0. Gaz. 1998 p. 2217).

*Affiliates*

(9) The licence of a distributor shall specify whether the distributor will comply with section 29 of the Electricity Act, 1998,

- (a) directly;
- (b) through an affiliate;
- (c) through another person with whom the distributor or an affiliate of the distributor has a contract; or
- (d) through a combination of methods described in clauses (a), (b) and (c), as specified.

**-- Quicklaw Table --**

Changes prior to Quicklaw Tables: SO. 1998, c. 15, Sched. B, s. 70(9), in force November 7, 1998 (0. Gaz. 1998 p. 2217).

Provision	Changed by	In force	Authority
70(9)	2002 cl SchB s7	2002 Jun27	R.A.

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*Exception*

QUICKLAW

(10) Despite clause (9)(a) and any licence, a distributor shall not comply with section 29 of the Electricity Act, 1998 directly after the date prescribed by regulation. S.O. 1998, c. 15, Sched. B, s. 70(j0), in force November 7, 1998 (0. Gaz. 1998 p. 2217).

*Service area of distributor*

(11) The licence of a distributor shall specify the area in which the distributor is authorized to distribute electricity. S.O. 1998, c. 15, Sched. B, s. 70(11), in force November 7, 1998 (0. Gaz. 1998 p. 2217).

*Non-discriminatory access*

(12) If a transmitter or distributor is exempt from the requirement to provide non-discriminatory access to its transmission or distribution system in Ontario by regulation made under the Electricity Act, 1998, a licence under this Part shall not include a condition requiring the provision of non-discriminatory access unless the licensee has consented to the condition. S.O. 1998, c. 15, Sched. B, s. 70(12), in force November 7, 1998 (0. Gaz. 1998 p. 2217).

*Limitation*

(13) A licence under this Part shall not require a person to dispose of assets or to undertake a significant corporate reorganization, SO. 1998, c. 15, Sched. B, s. 70(13), in force November 7, 1998 (0. Gaz. 1998 p. 2217).

*Exclusion*

(14) Despite subsection (13), a licence under this Part may require a distributor to establish an affiliate through which it shall comply with subsection (9) or section 73. SO. 1998, c. 15, Sched. B, s. 70(14), in force November 7, 1998 (0. Gaz. 1998 p. 2217).

*Scope*

(15) This section applies to the exercise of any power under this Act or the Electricity Act, 1998 in relation to a licence referred to in section 57. S.O. 1998, c. 15, Sched. B, s. 70(15), in force November 7, 1998 (0. Gaz. 1998 p. 2217).

S.O. 1998, c. 15, Sched. B, s. 70, in force November 7, 1998 (0. Gaz. 1998 p. 2217); SO. 2002, c. 1, Sched. B, s. 7.

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