## First Session, Forty-third Parliament 4 Charles III, 2025 Legislative Assembly of British Columbia

## **BILL 31**

# **ENERGY STATUTES AMENDMENT ACT, 2025**

Honourable Adrian Dix Minister of Energy and Climate Solutions

## **Explanatory Notes**

CLAUSE 1: [Hydro and Power Authority Act, section 12.1] enables the Lieutenant Governor in Council to designate agreements under which the authority and First Nations hold ownership interests in parts of the North Coast transmission line project.

## BILL 31 - 2025

## **ENERGY STATUTES AMENDMENT ACT, 2025**

HIS MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:

#### Hydro and Power Authority Act

1 The Hydro and Power Authority Act, R.S.B.C. 1996, c. 212, is amended by adding the following section:

#### North Coast transmission line ownership agreements

- **12.1** (1) In this section:
  - "First Nation" includes a person authorized to act on behalf of Indigenous peoples that hold rights recognized and affirmed by section 35 of the Constitution Act, 1982;
  - "North Coast co-owned facility" means the part of the phase 1 project, the phase 2 project or the phase 3 project that, under an agreement designated under subsection (2), is owned by a North Coast limited partnership;
  - "North Coast limited partnership" means a limited partnership that, under an agreement designated under subsection (2), owns a part of one of the following, as specified in the agreement:
    - (a) the phase 1 project;
    - (b) the phase 2 project;
    - (c) the phase 3 project;
  - "phase 1 project" means the part of the North Coast transmission line project consisting of new 500 kilovolt electric transmission lines, and related facilities, from around Prince George to around Fraser Lake;
  - "phase 2 project" means the part of the North Coast transmission line project consisting of new 500 kilovolt electric transmission lines, and related facilities, from around Fraser Lake to around Terrace;
  - "phase 3 project" means the part of the North Coast transmission line project consisting of new 500 kilovolt electric transmission lines, and related facilities, from around Terrace to around Bob Quinn Lake.

CLAUSE 1: [Hydro and Power Authority Act, section 12.1 – continued]

- (2) The Lieutenant Governor in Council may, by order, designate an agreement entered into, or to be entered into, by the authority that the Lieutenant Governor in Council considers relates to any of the following matters:
  - (a) a limited partnership through which the authority and a First Nation hold ownership interests in a part of one of the following, as specified in the agreement:
    - (i) the phase 1 project;
    - (ii) the phase 2 project;
    - (iii) the phase 3 project;
  - (b) the construction, operation, control, use, management, maintenance, safeguarding, repair or upgrade of a North Coast co-owned facility;
  - (c) the transfer or assignment to a North Coast limited partnership of an asset or a right of the authority used or exercised in connection with the ownership, construction, operation, control, use, management, maintenance, safeguarding, repair or upgrade of a North Coast co-owned facility;
  - (d) the provision of services by the authority to a North Coast limited partnership;
  - (e) payments by the authority to a North Coast limited partnership in relation to the authority's use of a North Coast co-owned facility.
- (3) Despite the common law and the provisions of this or any other enactment, if an agreement is designated under subsection (2),
  - (a) the authority is deemed to have, and to have always had, the power and capacity to enter into the agreement,
  - (b) the agreement and all actions of the authority taken in accordance with the provisions of the agreement are authorized, valid and deemed to be within the authority's purposes,
  - (c) without limiting paragraph (b), if a provision of the agreement constitutes or effects a delegation of a power or duty of the authority, that delegation is authorized and valid,
  - (d) the authority is deemed to have, and to have always had, the power and capacity to carry out all of the obligations imposed under, to exercise all of the rights, powers and privileges granted by, and to otherwise give effect to, the agreement according to its terms,
  - (e) without limiting paragraph (d), in carrying out an obligation imposed under, in exercising a right, power or privilege granted by, or in otherwise giving effect to, the agreement, the authority may exercise all the powers and has all the immunities granted to it under this Act, and
  - (f) the agreement is binding on and enforceable by the authority according to the agreement's terms.

CLAUSE 2: *[Utilities Commission Act, section 21.1]* expands the authority of the Lieutenant Governor in Council to make regulations respecting the provision of electricity service by adding authority to make regulations respecting the provision of electricity service for the storage or processing of electronic data or for the production of hydrogen for use outside Canada.

#### Utilities Commission Act

2 Section 21.1 of the Utilities Commission Act, R.S.B.C. 1996, c. 473, is repealed and the following substituted:

#### Provision of electricity service for listed purposes

- **21.1** (1) In this section, "listed purpose" means a purpose listed in subsection (2).
  - (2) The Lieutenant Governor in Council may make regulations respecting the provision by a public utility of electricity service for any of the following purposes:
    - (a) to mine cryptocurrency;
    - (b) to store or process electronic data, including electronic data used for artificial intelligence;
    - (c) to produce hydrogen for use outside Canada.
  - (3) Without limiting subsection (2), the Lieutenant Governor in Council may make regulations as follows:
    - (a) prohibiting, for a specified period or indefinitely, a public utility from supplying electricity service for a listed purpose;
    - (b) setting a rate, or requiring the commission to set a rate, that does any of the following:
      - (i) establishes the charge to be paid for energy or capacity supplied for a listed purpose;
      - (ii) establishes limits on the amount of energy or capacity that may be supplied for a listed purpose;
      - (iii) establishes when electricity service may be supplied for a listed purpose;
      - (iv) establishes terms or conditions under which electricity service may be supplied for a listed purpose;
    - (c) establishing a limit on the amount of energy or capacity that a public utility may make available for a listed purpose;
    - (d) establishing a procedure or rules by which a public utility must select which persons are eligible to receive electricity service for a listed purpose;
    - (e) without limiting paragraph (d),
      - (i) requiring a public utility to conduct a competitive process to select which persons are eligible to receive electricity service for a listed purpose and determine the charges to be paid in relation to that service, and
      - (ii) establishing criteria or rules for conducting the competitive process;

CLAUSE 2: [Utilities Commission Act, section 21.1 – continued]

CLAUSE 3: *[Utilities Commission Act, section 99]* is consequential to the amendment made by this Bill to section 21.1 of the Act.

- (f) enabling a public utility to collect from its customers the costs it incurs or the revenue forecasted to be lost as a result of a regulation under this section;
- (g) defining "cryptocurrency" to include a specified digital medium of exchange, unit of account or store of value;
- (h) defining "mine" to include or exclude a specified activity respecting cryptocurrency;
- (i) establishing rules or criteria for determining whether hydrogen is produced for use outside Canada.
- (4) In making regulations under this section, the Lieutenant Governor in Council may do any of the following:
  - (a) delegate a matter to the commission or a public utility;
  - (b) confer a discretion on the commission or a public utility;
  - (c) establish a procedure;
  - (d) make different regulations in relation to different facilities, persons, places, activities, circumstances or periods or different classes of facilities, persons, places, activities or circumstances.
- (5) A rate set under subsection (3) is deemed to be set by an order of the commission under section 58.
- (6) A regulation made under subsection (3) (f), insofar as it does not set a rate, is deemed to be an order of the commission under this Part.
- (7) A public utility or the commission, as applicable, must comply with a regulation made under this section despite
  - (a) any other provision of this Act, except section 3,
  - (b) a regulation under this Act, except a direction under section 3, or
  - (c) any previous decision of the commission.
- (8) A regulation made under this section applies in relation to the provision of electricity service by a public utility despite
  - (a) a regulation under section 22 made before the date this section comes into force, or
  - (b) an order under section 88 (3) made before the date this section comes into force.

## 3 Section 99 (2) is amended

- (a) in paragraph (a) by striking out "under section 21.1 (4)" and substituting "under section 21.1 (5)", and
- (b) in paragraph (b) by striking out "under section 21.1 (5)" and substituting "under section 21.1 (6)".

CLAUSE 4: *[Utilities Commission Act, section 101]* is consequential to the amendment made by this Bill to section 21.1 of the Act.

4 Section 101 (1) (b) is amended by striking out "other than an order deemed under section 21.1 (4) or (5) to have been made by the commission" and substituting "other than an order deemed under section 21.1 (5) or (6) to have been made by the commission".

#### Commencement

5 This Act comes into force on the date of Royal Assent.

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