

2004 Bill 216

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Fourth Session, 25th Legislature, 53 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **BILL 216**

## **LOW-COST ELECTRICITY FOR ALBERTA ACT**

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MR. MACDONALD

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First Reading . . . . .

Second Reading . . . . .

Committee of the Whole . . . . .

Third Reading . . . . .

Royal Assent . . . . .

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## BILL 216

2004

### LOW-COST ELECTRICITY FOR ALBERTA ACT

(Assented to \_\_\_\_\_, 2004)

WHEREAS electricity should be treated as an essential service and not a commodity subject to radical price swings;

WHEREAS stable, reliable and low-cost electricity is vital to the prosperity of Alberta's people, businesses and industries;

WHEREAS electricity deregulation, as created by the *Electric Utilities Act*, has failed to provide any benefits to electricity consumers;

WHEREAS electricity deregulation has resulted in high electricity prices, complex bills, customer confusion and industry chaos; and

WHEREAS the bidding process by which the power pool determines wholesale electricity prices results in high, volatile prices;

THEREFORE HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Alberta, enacts as follows:

#### Definitions

**1(1)** In this Act, "power company" means a body corporate that distributes electricity to customers.

**(2)** Except as provided for in this section, words or expressions defined in the *Electric Utilities Act* have the same meaning in this Act.

## **Repeal**

**2** The *Electric Utilities Act* is repealed on January 1, 2006.

## **New legislation**

**3(1)** Prior to the repeal of the *Electric Utilities Act*, the Minister of Energy must introduce a Bill in the Legislative Assembly to replace the *Electric Utilities Act*.

**(2)** A Bill under subsection (1) must be introduced in the Legislative Assembly in sufficient time for it to receive due consideration at all stages by the Assembly and Royal Assent prior to January 1, 2006.

## **Contents of Bill**

**4** A Bill introduced under section 3(1) must include provisions to achieve the following:

- (a) repeal electricity deregulation;
- (b) re-regulate the retail side of the electricity industry;
- (c) eliminate the power pool's current practice of setting wholesale electricity generation prices by a bidding process;
- (d) create one low generation price for all electricity customers based on the actual cost of producing electricity;
- (e) institute a format for power companies to follow to ensure that electricity bills are simple and understandable;
- (f) increase investment in electricity generators, when required, by contracting with investors for a fair rate of return on their investment;
- (g) establish a long-term Planning Council to ensure that future energy requirements are met;
- (h) dissolve the power purchase arrangements;
- (i) promote electricity conservation;
- (j) encourage electricity generation from renewable resources and alternative energy sources.